

AGENDA
MIDDLESEX-LONDON BOARD OF HEALTH
Finance & Facilities Committee

Microsoft Teams
Thursday, February 2, 2023 at 9:00 a.m.

- 1. ELECTION OF CHAIR, FINANCE & FACILITIES COMMITTEE**
- 2. DISCLOSURE OF CONFLICTS OF INTEREST**
- 3. APPROVAL OF AGENDA – February 2, 2023**
- 4. APPROVAL OF MINUTES – November 3, 2022**
- 5. NEW BUSINESS**
 - 5.1 2023 Reporting Calendar and Terms of Reference (Report No. 01-23FFC)
 - 5.2 Q4 Financial Update, Financial Borrowing and Factual Certificate Update (Report No. 02-23FFC)
- 6. OTHER BUSINESS**
 - 6.1 Next meeting: Thursday, March 2, 2023 at 9:00 a.m.
- 7. ADJOURNMENT**



PUBLIC MINUTES
FINANCE & FACILITIES COMMITTEE
Microsoft Teams
Thursday, November 3 at 9 a.m.

MEMBERS PRESENT: Mr. Mike Steele (Chair)
Mr. Matt Reid
Ms. Maureen Cassidy
Mr. Selomon Menghsha

REGRETS: Ms. Kelly Elliott

OTHERS PRESENT: Ms. Stephanie Egelton, Executive Assistant to the Medical Officer of Health (Recorder)
Dr. Alexander Summers, Medical Officer of Health
Ms. Emily Williams, Chief Executive Officer
Mr. David Jansseune, Assistant Director, Finance
Ms. Carolynne Gabriel, Communications Coordinator and Executive Assistant to the Board of Health
Ms. Maureen MacCormick, Director, Healthy Living
Ms. Sarah Maaten, Acting Director, Office of the Medical Officer of Health
Ms. Jennifer Proulx, Acting Director, Healthy Start/Chief Nursing Officer
Ms. Mary Lou Albanese, Director, Environmental Health and Infectious Disease
Mr. Marc Resendes, Project Coordinator
Ms. Marlee Vinegar, Medical Student
Ms. Mariam Hamou, Board Member
Ms. Svetlana Popovic, Executive Assistant to the Chief Executive Officer
Mr. Mike Kadour, Consultant

At **9:02 a.m.**, Chair Mike Steele called the meeting to order.

DISCLOSURES OF CONFLICT OF INTEREST

Chair Steele inquired if there were any disclosures of conflict of interest. None were declared.

APPROVAL OF AGENDA

It was moved by **Mr. Matt Reid**, seconded by **Ms. Maureen Cassidy**, that the **AGENDA** for the November 3, 2022 Finance & Facilities Committee meeting be approved.

Carried

APPROVAL OF MINUTES

It was moved by **Mr. Reid**, seconded by **Ms. Cassidy**, that the **MINUTES** of the October 6, 2022 Finance & Facilities Committee meeting be approved.

Carried

NEW BUSINESS

Q3 Financial Update and Factual Certificate (Report No. 18-22FFC)

Ms. Emily Williams, Chief Executive Officer introduced Mr. David Jansseune, Assistant Director, Finance to provide information on the Q3 Financial Update and Factual Certificate (ending September 30).

100% Funded Programs

The Nurses Retention Incentive has funding of \$1,190,000, with spring and fall draft payments totaling \$1,048,000 (still to be finalized by the province).

The CLIF program has estimated funding of \$450,000-\$500,000, with forecasted spending of \$303,659. As of September 30, spending for this program was \$252,142. The City has been contacted to explore rolling over of the unspent funds into 2023.

The School Focused Nurses Initiative has funding of approximately \$1,643,700. Due to a surplus in this program, it is expected that the unspent funding will be clawed back by the Province in December.

The Seniors Dental Funding Project (Strathroy) has funding of approximately \$1,050,100. It is noted that the construction bid will be seen by the Board at the December 15 Board of Health meeting.

COVID-19 funding has been approved for \$13.6 million with forecasted expenses of \$22.2 million. The Health Unit has received \$10.2 million but will request an additional \$9.7 million. This expense appears unfavourable to the budget, but this is only a timing issue, as we have not received the second installment of funding. COVID-19 vaccination clinics are spending to budget and case/contact management is spending under budget.

Forecast

Salaries and benefits are difficult to estimate, due to the temporary nature of many of the staff currently supporting the Health Unit in shared funding programs.

There is a \$2.3 million surplus within the Shared Funding Programs and this surplus will be applied against COVID-19 expenses. COVID-19 is forecasting expenditures of \$22.2 million. \$22.2 million will be reduced by the \$2.3 million surplus, leaving \$19.9 million in funding. COVID-19 funding to date is \$10.2 million, leaving \$9.7 million to be received.

The Nurses Retention Incentive will be flow through funding, and will be offset with the approved funding.

Capital projects are excluded as the Health Unit forecast focuses on operating costs, with a review ongoing.

Cashflow Projections

Funding clawbacks (approximately \$3 million) in December are expected, but the exact date is unknown as this time. It was also noted that the Health Unit is in a positive cash balance as of September 30.

As of September 30, the Health Unit has a \$3.9 million positive bank balance. It is noted that if funding is not received, the Health Unit will need to rely on the line of credit for December and January. The current bank loan is for 20 years, with an approximate \$260,000 annual payment. The fixed loan has \$2,838,000 approximately owing and the variable loan has approximately \$1,049,000 owing.

Q3 Consolidated Analysis

Overall, shared funding programs were \$2.5 million favourable to the budget, COVID-19 programs were \$5.6 million unfavourable to the budget and overall Q3 was \$3.1 million unfavourable to the budget.

Ms. Williams noted that regarding the School Focused Nurses Initiative that funds were unused due to staffing challenges. The roles approved through funding are temporary in nature and there are currently struggles with recruiting and retaining health human resources. The Health Unit is working on a utilization plan for 2023 regarding this funding. Ms. Maureen MacCormick, Director, Healthy Living advised that the Province is aware of the need for permanent funding for these roles. An audit has been done with recommendations made to the Province, but no update has been received to date.

It was moved by **Mr. Reid, seconded by Mr. Selomon Menghsha**, *that the Finance & Facilities Committee recommend to the Board of Health to receive Report No. 18-22FFC, re: "2022 Q3 Financial Update and Factual Certificate" for information.*

Carried

Proposed Adjustments to Reserves (Report No. 19-22FFC)

Mr. Jansseune provided background information on the proposed contribution to the Technology and Infrastructure reserve. The current balance of the Reserve is zero with the last balance noted in 2018 of \$1,250,000 which was depleted in 2019. There is a \$2 million fund limit with maximum annual contributions of \$250,000. It was noted that the Health Unit is expecting a surplus and would aim to put funds towards this reserve. These funds would be coming from City of London and County of Middlesex funding.

The request to the Committee and Board is to approve a contribution of \$250,000 to the Technology and Infrastructure Reserve using 2022 surplus municipal funds. Mr. Jansseune noted that the proposed transfer to reserve was not budgeted. Per Board of Health policy G-250 Reserve and Reserve Funds, the reserve contributions must be approved by the Board. Mr. Jansseune and Ms. Williams have had preliminary conversations with the City and County regarding this contribution and received support.

It was noted that it was important to have this reserve with funds ready to be prepared for any urgent technology needs, noting the large number of users of Health Unit technology infrastructure.

It was moved by **Mr. Reid, seconded by Ms. Cassidy**, *that the Finance & Facilities Committee make a recommendation to the Board of Health to approve contributing \$250,000 to the Technology & Infrastructure Reserve.*

Carried

Proposed 2023 Budget (Report No. 20-22FFC)

Ms. Williams provided an overview to the Committee on the Health Unit's proposed 2023 budget.

Ms. Williams provided a summary of the budget process which the Health Unit is utilizing:

- Set funding assumptions (flat funding to 2022, mitigation funding continuing, and COVID extraordinary funds continuing);
- Confirm inflationary pressures (salary/step/benefit increases, corporate expenses, reducing gapping);
- Establish target (\$1.2 million);
- Conduct general expenses review using a zero based budget approach;
- Review programs and services by using the Public health program pyramid and critical infrastructure review framework.

General expense reductions in the amount of \$437,217 have impact to the areas of supplies, professional development, travel and program costs.

The proposed disinvestments (public) are as follows:

- Corporate Expenses – cell phone use reduction (savings of \$12,000);
- Vector Borne Disease program students – reducing two summer student positions (savings of \$22,000).

It was moved by **Mr. Reid, seconded by Ms. Cassidy**, that the Finance & Facilities Committee make a recommendation to the Board of Health to:

- 1) Approve the savings identified from the General Expense zero-based budgeting review in the amount of \$437, 217;
- 2) Approve the disinvestments in cell phones and students in the Vector Borne Disease Program; and
- 3) Advise no further changes in programs and services until 2023 provincial base funding amounts are known.

Carried

CONFIDENTIAL

At **9:32 a.m.**, it was moved by **Mr. Reid, seconded by Mr. Menghsha**, that the Finance and Facilities Committee will move in camera to consider matters regarding personal matters about an identifiable individual, including municipal or local board employees and matters regarding labour relations or employee negotiations.

Carried

At **10:25 a.m.**, it was moved by **Ms. Reid, seconded by Ms. Cassidy**, that the Finance and Facilities Committee rise and return to public session from closed session.

Carried

OTHER BUSINESS

It was moved by **Mr. Reid, seconded by Mr. Menghsha**, that the Finance & Facilities Committee cancel the December 1, 2022 Finance and Facilities Committee meeting.

Carried

Chair Steele noted that a financial report regarding the dental clinic in the Strathroy office will go forward to the December Board of Health meeting.

The next Finance and Facilities Committee meeting will be determined at the call of the Board Chair.

ADJOURNMENT

At **10:27 a.m.**, it was moved by **Mr. Reid, seconded by Ms. Cassidy**, that the meeting be adjourned.

Carried

MICHAEL STEELE
Chair

EMILY WILLIAMS
Secretary



TO: Chair and Members of the Finance & Facilities Committee

FROM: Emily Williams, Chief Executive Officer

DATE: 2023 February 2

FINANCE & FACILITIES COMMITTEE 2023 REPORTING CALENDAR AND TERMS OF REFERENCE

Recommendation

It is recommended that the Finance & Facilities Committee recommend to the Board of Health to:

- 1) Approve the 2023 Finance and Facilities Committee Reporting Calendar; and*
- 2) Approve the Finance and Facilities Committee Terms of Reference as amended.*

Key Points

- The 2023 Finance & Facilities Committee (FFC) Reporting Calendar provides a framework for activities anticipated to be undertaken in the current year ([Appendix A](#))
- The FFC Terms of Reference is being proposed to the Committee and Board to be amended to change the meeting cadence ([Appendix B](#)).

Finance & Facilities Committee 2023 Reporting Calendar

The Finance and Facilities Committee (FFC) Reporting Calendar provides a prudent and effective means of assessing reporting requirements, ensuring compliance with relevant statutes, and initiating a proactive approach to Board of Health accountability and performance. The FFC Reporting Calendar is an account of the planned activities required of the Committee. If required, the Reporting Calendar should be updated annually to include additional accountabilities identified by FFC members and staff.

The items on the Reporting Calendar are organized around the requirements for the Finance & Facilities Committee to uphold public accountability over the use of resources; to manage the budget process efficiently; to align the budget to strategic priorities of the Board of Health; to communicate and report on the status of actual funding and expenditures in relation to budget; and to monitor facilities, risk management and administration.

A draft Reporting Calendar attached as [Appendix A](#), is submitted for the Committee's review and approval.

Review of Finance & Facilities Committee Terms of Reference

The FFC Terms of Reference has a proposed amendment to change the cadence of meetings, to ensure efficient preparation time for closing out financial periods and to provide the Committee and Board with the most up to date financial information. This draft Terms of Reference is attached as [Appendix B](#).

Next Steps

If the Committee recommends the change of the FFC meeting cadence to the Board, then the Board will need to approve an amendment to the 2023 Board of Health and Committee meeting schedule.

This report was prepared by the Chief Executive Officer.

A handwritten signature in black ink that reads "E. Williams". The signature is written in a cursive style with a large, prominent initial "E".

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

2023 Finance and Facilities Committee Reporting Calendar	
<p style="text-align: center;">Q1 (Jan 1 to Mar 31)</p> <ul style="list-style-type: none"> • Review Insurance Coverage • Review Terms of Reference • Approve Reporting Calendar • Review and Recommend 2023 Board of Health Budget • Public Sector Salary Disclosure • Review and Recommend Board of Health Remuneration • 2022 Q4 Financial Update, Financial Borrowing and Factual Certificate Update 	<p style="text-align: center;">Q2 (Apr 1 to Jun 30)</p> <ul style="list-style-type: none"> • Q1 Financial Update, Financial Borrowing and Factual Certificate Update • Review and Recommend - Audited Financial Statements for MLHU • Recommend 2024 Budget Parameters and Planning Assumptions • Recommend Guidelines for Municipal Budget Targets • Review Funding and Service Level Agreements • Review and Recommend Budget Process • Visa and Accounts Payable Update
<p style="text-align: center;">Q3 (Jul 1 to Sep 30)</p> <ul style="list-style-type: none"> • Q2 Financial Update, Financial Borrowing and Factual Certificate Update • Review and Recommend Audited Financial Statements for April 1 to March 31 Programs • Review and Recommend Draft 2024 Board of Health Budget 	<p style="text-align: center;">Q4 – (Oct 1 to Dec 31)</p> <ul style="list-style-type: none"> • Q3 Financial Update, Financial Borrowing and Factual Certificate Update • Review and Recommend Final 2024 Board of Health Budget

Insurance Coverage

The Finance & Facilities Committee is responsible for an annual review of the types and amounts of insurance carried by MLHU. Staff are responsible for preparing a review of the insurance needs of MLHU and providing recommendations to the Finance & Facilities Committee regarding the level and types of insurance MLHU should purchase.

Terms of Reference

The Finance & Facilities Committee Terms of Reference sets out the parameters of how authority is delegated to the Committee and how the Committee is accountable to the Board of Health.

Reporting Calendar

The reporting calendar ensures the Committee’s requirements to assist and advise the Board of Health on matters outlined in the Committee’s Terms of Reference.

Board of Health Budget

The Board of Health Budget is presented to the Finance & Facilities Committee through the use of the Annual Service Plan which integrates a summary of planned expenditure by team and allocation of team-based expenditures to specific programs.

Visa and Accounts Payable

In accordance with Section 5.17 of the Procurement Protocols (Refer to Policy G-230), the Assistant Director of Finance is to report annually the suppliers who have invoiced a cumulative total value of \$100,000 or more in a calendar year.

The Finance & Facilities Committee is also requested to report annually a summary of purchases made with corporate credit cards.

Public Sector Salary Disclosure

The *Public Sector Salary Disclosure Act*, 1996 makes Ontario's public sector more open and accountable to taxpayers. The Act requires organizations that receive public funding from the Province of Ontario to disclose annually the names, positions, salaries and total taxable benefits of employees paid \$100,000 or more in a calendar year.

The main requirement for organizations covered by the Act is to make their disclosure or, if applicable, to make their statement of "no employee salaries to disclose" available to the public by March 31st each year. Organizations covered by the Act are also required to send their disclosure or statement to their funding ministry or ministries by the fifth business day of March.

Board of Health Remuneration

Section 49 of the *Health Protection and Promotion Act* (HPPA) sets out the composition, term, and remuneration of Board of Health members. Subsections (4), (5), (6), and (11) relate specifically to remuneration and expenses. This is to be reviewed by the Finance & Facilities Committee who makes recommendations to the Board of Health each year (Refer to Policy G-410 Board of Health Remuneration and Expenses).

Factual Certificate

MLHU staff completes a factual certificate to increase oversight in key areas of financial and risk management. The certificate process ensures that the Committee has done its due diligence. The certificate is reviewed on a quarterly basis alongside financial updates.

Financial Update

MLHU staff provide financial analysis for each quarter and report the actual and projected budget variance as well as any budget adjustments, or noteworthy items that have arisen since the previous financial update that could impact the MLHU budget.

Audited Financial Statements

The preparation of the financial statements is the responsibility of the Middlesex-London Health Unit's (MLHU) staff and is prepared in compliance with legislation and in accordance with Canadian Public Sector Accounting Standards (PSAS). The Finance & Facilities Committee meets with staff and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

It is a requirement of the Board of Health to provide audited financial statements to various funding agencies for programs that are funded from April 1st to March 31st each year. The purpose of this audited report is to provide the agencies with assurance that the funds were expended for the intended purpose. The agencies use this information for confirmation and as a part of their settlement process.

These programs are also reported in the main audited financial statements of MLHU which are approved by the Board of Health in June; however this report includes program revenues and expenditures of these programs during the period of January 1st to December 31st, which does not coincide with the reporting requirements of the funding agencies. Therefore, a separate audited statement is required.

Budget Parameters and Planning Assumptions

Developing high level planning parameters is an integral part of any budget process. They help guide and inform planning and resource allocation decisions. Ideally the parameters should be linked to the organization's strategic direction, key budget planning assumptions and take into consideration municipal and provincial outlooks.

Strategic and financial targets can also be considered during the Budget Parameters and Planning Assumptions deliberations at the Finance & Facilities Committee.

Guidelines for Municipal Budgets

While the municipal funders can set targets for the Board, the final decision regarding budget requirements rests with the Board of Health. It is therefore essential that the Board of Health determine its approach to the development of the budget and provide the municipalities intended changes to the budget.

Funding and Service Level Agreements

MLHU receives grant funding, both one-time and ongoing from a variety of different sources. It is incumbent upon the Finance & Facilities Committee to annually, or as deemed necessary, review all service level and funding agreements.

Financial By-Laws and Policies

By-laws and policies represent the general principles that set the direction, limitations and accountability frameworks for MLHU. The Finance & Facilities Committee is responsible for reviewing the governance policies (in partnership with the Governance Committee when applicable) relating to the financial management of the organization, including but not limited to, procurement, investments, and signing authority. (Refer to Policy G- 000 By-laws, Policy and Procedures.

FINANCE & FACILITIES COMMITTEE – TERMS OF REFERENCE

PURPOSE

The Finance & Facilities Committee serves to provide an advisory and monitoring role. The Committee's role is to assist and advise the Board of Health, the Chief Executive Officer (CEO), and the Assistant Director of Finance in the administration and risk management of matters related to the finances and facilities of the organization.

REPORTING RELATIONSHIP

The Finance & Facilities Committee is a committee reporting to the Board of Health of the Middlesex-London Health Unit (MLHU). The Chair of the Finance & Facilities Committee, with the assistance of the CEO and the Assistant Director of Finance, will make reports to the Board of Health as a whole following each of the meetings of the Finance & Facilities Committee.

MEMBERSHIP

The membership of the Finance & Facilities Committee will consist of a total of five (5) voting members. The members will include the Chair and Vice-Chair of the Board of Health and in total, the membership will contain at least one Middlesex County Board member, one City of London Board member and one provincial Board member.

The Secretary and Treasurer will be an ex-officio non-voting member.

Staff support includes:

- Chief Executive Officer;
- Assistant Director of Finance; and
- Executive Assistant (EA) to the Board of Health and/or the EA to the CEO.

Other Board of Health members can attend the Finance & Facilities Committee but are unable to vote.

CHAIR

The Finance & Facilities Committee will elect a Chair at the first meeting of the year to serve for a one or two-year term. The Chair of the Committee may be appointed for additional terms following the completion of an appointment to enhance continuity of the Committee.

TERM OF OFFICE

At the first Board of Health meeting of the year, the Board will review the committee membership. At this time, if any new appointments are required, the position(s) will be filled by majority vote. The appointment will be for at least one year, and where possible, staggered terms will be maintained to ensure a balance of new and continuing members. A member may serve on the committee as long as they are a Board of Health member.



DUTIES

The Finance & Facilities Committee will seek the assistance of and consult with the CEO and the Assistant Director of Finance for the purposes of making recommendations to the Board of Health on the following matters:

1. Financial statements and analyses,
2. Annual cost-shared and 100% funded program budgets,
3. Annual financial statements and auditor's report,
4. Insurance carried by MLHU,
5. Physical assets and facilities,
6. Service level agreements,
7. Funding agreements,
8. Finance-related governance policies, and
9. Financial risks faced by the organization and the appropriateness of related controls to minimize their potential impact.

FREQUENCY OF MEETINGS

The Finance & Facilities Committee will meet in the following cadence, in advance of the Board of Health meetings:

- February
- March
- May
- June
- August
- September
- November
- December

A meeting can be cancelled at the call of the Chair of the Committee if the meeting is deemed to be not required.

AGENDA & MINUTES

1. The Chair of the Committee, with input from the CEO and the Assistant Director of Finance, will prepare agendas for regular meetings of the Committee.
2. Additional items may be added at the meeting if necessary.
3. The recorder is the EA to the Board of Health or the EA to the CEO.
4. Agenda and minutes will be made available at least five (5) days prior to meetings.
5. Agenda and meeting minutes are provided to all Board of Health members.

BYLAWS:

As per Section 19.1 of Board of Health By-Law No. 3, the rules governing the proceedings of the Board shall be observed in the Committees insofar as applicable. This will include rules related to conducting of meetings; decision making; quorum and self-evaluation.

REVIEW

The Terms of Reference will be reviewed every two (2) years or when an amendment is deemed necessary by the Committee or Board of Health.



TO: Chair and Members of the Finance and Facilities Committee

FROM: Emily Williams, Chief Executive Officer

DATE: 2023 February 2

2022 Q4 FINANCIAL UPDATE, FINANCIAL BORROWING AND FACTUAL CERTIFICATE UPDATE

Recommendation

It is recommended that the Finance and Facilities Committee recommend to the Board of Health to receive Report No. 02-23FFC re: “2022 Q4 Financial Update and Factual Certificate” for information.

Key Points

- This comprehensive report covers key financial elements to bring awareness to the draft 2022 financial results.
- It includes an Executive Summary and commentary on:
 - Q4 Variance Analysis
 - Forecast modified to increase financial awareness
 - Cashflow, which also includes a Financial Borrowing update
- The following schedules are also provided:
 - Consolidated Results including:
 - Shared Funding Programs
 - COVID-19
 - Seniors Dental Program
 - General Expense Details
 - Cashflow Schedule
 - Factual Certificate

Background

A new reporting format was developed to deliver information across multiple financial elements. This information is intended to assist with strategic decision making throughout the year and to bring awareness to end of year financial results.

Financial Highlights

Please refer to [Appendix A](#) for full details.

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

A handwritten signature in black ink that reads 'EWilliams'.

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

Middlesex London Health Unit

Q4 Financial Update

Draft – Non-Audited¹

Ending December 31, 2022

Note 1: Year end work is continuing which may result in small differences from this report to the final numbers.

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Executive Summary

This financial package represents the draft annual results of the Middlesex-London Health Unit from January 1st to December 31st of 2022. These draft numbers may be impacted by additional year-end adjusting entries but are intended to provide a close approximation of the year's results. Also, these numbers are representative of the Ministry's Q4 SAR submission. The included commentary and schedules will highlight key financial elements within the Health Unit.

Q4 Variances: Shared Funding Programs generated a surplus of \$2.1 million due to staff vacancies and underspending across general expenses. COVID-19 and School Focused Nurses Initiative expenses totalled \$21.1 million against an estimated budget of \$28.8 million, but in line with the Q3 forecast of \$22.1 million.

Consistent with prior years, the surplus from Shared Funding Programs will be used to reduce the COVID-19 expenses. After removing the impact of School Focused Nurses Initiative, the Ministry should fund COVID-19 at \$17.9 million (COVID-19 only expenses of \$19,980k less Shared Funding Programs surplus of \$2,113k). School Focused Nurses Initiative -SFNI- is funded separate from COVID-19.

Nurses Retention Incentive: Please note that Salaries and Benefits include an estimated \$1.1 million for this incentive that was not budgeted. The offset funding flows through Other Income to have a bottom-line impact of nil. From a variance perspective, this overstates favourability of income by \$1.1 million while understating favourability of salaries and wages by the same amount.

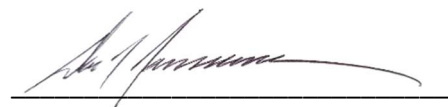
Forecast: Forecast is not applicable for year-end reporting as the actuals will represent the full 12 months. The annual forecast that was created at the time of Q3 is visible on the schedules for comparison purposes only.

Cashflow: The first half of the year caused the bank account to have large swings resulting in both positive and negative cash balances. The year started with \$10 million and was quickly depleted over Q1 with no COVID-19 funding. It rebounded from a negative cash balance to end June at \$4.1 million and has stayed relatively constant since then.

The year ended with a cash balance of \$4.2 million and an estimated \$4.3 million still receivable from the Ministry to support COVID-19 expenditures.

If you have any questions regarding this information, or suggestions on content, please contact the undersigned. Thank you.

On behalf of the Finance Team within the Healthy Organization Division,



Dave Jansseune, CPA, CMA
Assistant Director, Finance



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

Q4 Variance Analysis

Consolidated

Shared Funding Programs: Q4 variance is \$2,113k fav to budget. Revenue is favourable and includes an estimated \$1.1 million to support the Nurses Retention Incentive. The favourability from Salary & Wages and Benefits more than offset the budgeted gap, which was the intention when the budget was initially created. This favourability was the result of staff vacancies as compared to budget (these vacancies were unintended and more representative of the lack of available candidates rather than intentional vacancies). Reduced spending across General Expenses has also generated favourability to budget.

COVID-19: This section includes COVID-19 and School Focused Nurses Initiative, or SFNI for short. In 2023, this has been separated to improve transparency.

SFNI: Actual expenditures totalled \$1,148,395. Income was set to equal expenditures so there is no surplus, no deficit from this program within this schedule; however, the Health Unit was approved for \$1.6 million of available funding but were unable to find temporary, qualified nurses to utilize all the funds. The unused portion will be returned to the Ministry.

Covid-19: Actual expenditures totalled \$19,980,446 with funding set to \$17,867,797 to generate a deficit of \$2,112,649. This deficit (or unfavourability) will be funded from surplus (or favourability) from the Shared Funding Programs. As of January 27th, the Health Unit has received \$13,579,800 in COVID-19 funding with a receivable for the balance of \$4,287,997.

Seniors Dental Program: This is a 100% funded program and funding exceeded expenses by \$369k. Salaries and Wages were overspent to budget while General Expenses were underspent. The Ministry will claw back the \$369k during 2023 Q1.

Additional 100% funded programs/incentives to highlight:

Nurses Retention Incentive: The Ministry provided \$1,190k funding for this initiative. Although the numbers are draft, the actual payout was ~\$1,048k to qualifying nurses, leaving a small amount owing to the Ministry of \$142k (*small changes are possible through the year-end closing process*).

CLIF (City of London Funding for Cannabis Legalization): Funding \$415,798. Estimated expenses \$294,332. The City has approved a carryover of remaining funds to 2023.

Seniors Dental Care Capital-Strathroy: Funding \$1,050,100. No expenses as at December 31st, but the majority of this funding has been allocated to various expenses during the first quarter of 2023.

Shared Funding Programs *(numbers represent overall surplus/deficit, both revenue & expenses)*

Office of the Medical Officer of Health \$715k surplus

Office of the Associate MOH: \$180k fav. Wages & Benefits \$207k fav due to AMOH vacancy offset with overtime \$10k unf. Income is also \$19k unf (revenue charged to MOH department).

Office of the MOH: \$20k fav. Wages & Benefits \$7k fav. Other income \$9k fav to partially offset unf income at the AMOH level. Travel is also \$5k fav.

PHAS: \$88k fav. Wages & Benefits \$86k fav (the Data Analyst wages are underspent).

Program Planning & Evaluation: \$427k fav. Wages & Benefits \$412k fav with no charges for Emergency Planning, PA's and Librarian.

Office of the Chief Nursing Officer \$394k surplus (to be consolidated under OMOH for 2023)

Chief Nursing Officer: \$338k fav. Wages & Benefits \$338k fav with no charges for CNO & Administration Health Equity.

Health Equity: \$55k fav. Wages & Benefits \$22k fav. Professional Fees also \$30k fav with very little spending to date.

Environmental Health & Infectious Diseases \$588k surplus

Community Outreach & Clinical Support Services: \$263k unf. Wages & Benefits \$268k unf (Administration and Outreach Worker are \$386k unf; non-budgeted Clinical Team Assistant \$153k unf; no charges for PHN and Dental Assistant \$325k fav). Travel is \$24k fav while Supplies are \$18k unf.

Food Safety & Healthy Environments: \$209k fav. Wages for the Public Health Inspectors \$163k fav with Benefits \$38k fav.

Infectious Diseases: \$506k fav. Wages \$386k fav (PHN \$224k and PHI \$160k). Benefits \$116k fav.

Office of the Director: \$61k fav. Wages & Benefits \$67k fav (\$44k from reduced Admin wages).

Safe Water & Vector-Borne Diseases: \$65k fav. Wages & Benefits \$44k unf (PHI \$38k unf, Standby \$34k unf, Student wages \$30k fav). There were no allocated admin costs which resulted in \$30k fav. Grant revenue \$30k fav; reduced professional services \$17k fav; reduced program supplies \$21k fav.

Sexual Health: \$227k fav. Wages & Benefits \$24k fav. Clinic Physician fees \$36k fav. Oral Contraceptives \$178k fav. Reduced spending against Promotional Projects \$9k fav and non-budgeted revenue of \$54k from HIV testing. Favourability offset with reduced user fees of \$114k from OHIP billing, physician charges and contraceptive sales.

Vaccine Preventable Disease: \$218k unf. Wages & Benefits \$133k unf (casual PHN \$116k unf).

Reduced grant funding for MenC & HPV Gardasil \$65k unf. Program supplies \$61k unf offset with reduced vaccine costs \$49k fav.

Healthy Living \$1,312k surplus

Child Health Team: \$337k unf. Wages & Benefits \$403k unf (\$164k unf non-budgeted casual PHN's, \$183k unf wages for PHN's, \$53k unf Benefits). Program Supplies were \$44k fav.

Chronic Disease & Tobacco Control: \$179k fav. Wages & Benefits \$161k fav (no manager \$116k fav). Reduced travel amounted to \$10k fav.

Healthy Communities & Injury Prevention: \$704k fav. Received funding against no budget \$61k fav (Road Safety \$7k, Low Risk Drinking \$1.6k, Active & Safe Routes to School \$27k, CDAS \$25k). Wages and Benefits \$617k fav (\$426k fav PHN's, \$139k fav benefits). Minimal spending across Program Supplies contributed \$21k fav.

Office of the Director: \$68k fav. Wages & Benefits \$48k fav (\$43k due to reduced Admin wages). There were no charges to General Expenses amounting to \$20k fav.

Oral Health Programs: \$523k fav. Wages & Benefits \$484k fav (includes Dental Assistants \$193k fav, Dental Hygienists \$192k fav, Benefits \$114k fav). No spending on equipment \$13k fav and reduced travel costs \$10k fav.

SFO-South West TCAN: \$242k fav. Wages & Benefits \$88k fav (no manager and admin support, but increased wages for Youth Specialist and Youth Leader). Six projects included here with little to no spending against budget \$114k fav. No allocated admin costs and no travel \$35k fav.

Young Adult Team: \$67k unf. Wages & Benefits \$102k unf (PHN's were \$141k unf offset with reduced spending for the Dietician \$59k fav, Overtime \$13k unf, Benefits \$8k unf). Program Supplies were underspent \$19k fav while Travel was \$10k fav.

Healthy Start \$286k surplus

Early Years Community Health: \$13k fav. Wages & Benefits \$6k unf. Very little spending in General Expenses to contribute \$19k fav to budget.

Healthy Beginnings Visiting & Group Programs: \$333k fav. Wages & Benefits \$209k fav (PHN's \$114k fav, Admin & Management \$117k fav). Program Supplies underspent \$29k fav. Travel \$21k fav.

Healthy Families Home Visiting: \$8k unf. Wages & Benefits \$61k unf. Reduced Translation \$22k fav; Program Supplies underspent \$13k fav; Reduced Travel \$13k fav.

Office of the Director: \$52k unf. Wages & Benefits \$65k unf offset with \$13k fav General Expenses.

Healthy Organization \$1,181k deficit or \$509k unf excluding Gap/Nurses Retention/Reserve Transfers
Communications: \$51k unf. Wages are \$61k unf (non-budgeted Marketing Coordinator). Minimal spending in General Expenses \$10k fav.

Finance: \$49k unf. Wages are \$51k unf (non-budgeted Financial Analyst).

General – Main MLHU: \$1,179k unf. Nurses Retention Incentive funding \$1,182k fav (the related expenses are in the department salaries) which was offset with the budgeted gap adjustment \$1,594k unf and additional Board Approved non-budgeted transfers to reserve \$361k unf (Employment Cost Reserve \$111k and Technology & Infrastructure Reserve \$250k). A non-budgeted labour relations cost required \$185k unf spending. Legal Fees were also overspent at \$38k unf. Postage \$74k unf and Supplies \$22k unf.

Human Resources: \$66k unf. Wages are \$50k unf and Staff Development incurred \$21k of non-budgeted expenses (offset at the Office of the Director where there is \$29k fav).

Information Technology: \$123k fav. Misc Revenue \$200k unf due to the cancellation of Special Projects – Electronic Medical Records. Wages & Benefits \$142k fav (the \$200k fav Special Projects-EMR labour component was slightly offset with increased wages for the System Analyst of \$43k unf). Computer Equipment & Software \$75k fav. IT Consulting Fees were \$111k fav.

Office of the Director: \$41k unf. Wages & Benefits \$89k unf as the budget didn't represent the new CEO position. Staff Development \$29k fav to budget and Travel was also \$12k fav.

Procurement & Operations: \$67k unf. Wages & Benefits - additional head count over budget.

Strategy, Risk & Privacy: \$149k fav. Wages & Benefits due to vacancies.

The schedules for COVID-19, Seniors Dental Program and General Expense Details provide adequate details and do not require additional commentary. If you have questions, please let us know.

Forecast

Although the annual forecast is not applicable to Q4 reporting, it is interesting to look back over the year to see how accurate the forecast was.

Forecasts are intended to provide directional information, or estimates, to assist with strategic planning. It is this forecast that is utilized to plan for anticipated funding and expenses in order to optimize in-year spending and maximize program delivery.

During 2022, the following forecasts were generated:

Q1: Forecast was aligned with the Ministry funding announcement from May 2nd. Both income and expenses were adjusted equally to maintain the “balanced budget” effect resulting in no surplus and no deficit. Its intent was to reset the budget.

Q2: The Shared Funding Programs forecasted a surplus of \$863k while COVID-19/SFNI expenses were estimated to be \$23.5 million. Although these numbers were not aligned to actual end-of-year results, they were directional and indicated an available surplus.

Caution must still be exercised at this point in time as the forecast is only an estimate and based on known, or planned, events. Even with risk management, there can be unforeseen circumstances that can impact the forecast. In the absence of budgeted contingencies, it can be risky to react to a forecasted surplus in its entirety.

Q3: With 9 months of actuals, this forecast should be an accurate estimate of end-of-year projections. This is also the forecast that the Ministry uses to gauge COVID-19 funding requirements and/or claw-backs from 100% funded programs – so it needs to be as accurate as possible.

Shared Funded Programs had forecasted a surplus of \$2,316k with COVID-19/SFNI expenses estimated at \$22,188k. This was an accurate forecast.

Cashflow Projections

Bank balances: December 31st was \$4,223,858 positive. As at January 20th it was \$2,817,550 positive.

Employment Cost Reserve: \$286,868; Technology & Infrastructure Reserve: \$250,000. Declared reserves on our financial statements. This is not the same as money in the bank as it represents a sum of money set aside with a specific purpose, but best practice would be to have enough cash available to fund the reserve(s) if called upon.

Financial Borrowing Update:

Total available line of credit: \$8 million with no draw.

Outstanding bank loan: Fixed \$3,050,000 owing \$2,805,625. Variable \$1,150,000 owing \$1,035,000.

First Quarter: Cash balance (\$135,998). Cash was depleted in the first quarter with increased payroll and no COVID-19 funding. Payroll averaged \$1.8 million per payment against an average of \$1.4 million and there were three pays withdrawn from the account in March (actual 3 pays will occur in April, but the bank withdrew in advance of the payment). Payroll was more than average due to increased overtime and vaccine clinic operations.

Second Quarter: Cash balance \$4,133,230. Payroll has returned to slightly higher than average at \$1.489 million per payment. COVID-19 funding was received in April for \$1,777k (related to 2021) and again in June for \$6,790k (related to 2022). Funding was received during June for the Nurses Retention Incentive \$991,748 with disbursements totaling \$559,251 – the second payment is estimated for October (*actual payment done in September with a few corrections done in October*).

Third Quarter: Cash balance \$3,865,229. COVID-19 funding was received monthly during Q3 and amounted to \$3.4 million with total 2022 funding to date of \$10.2 million. A portion of the Strathroy capital funding was also received, \$159k of the Ministry committed \$318k (to date, \$859k capital funding has been received out of the total committed \$1,050k). Working capital is related to timing within payroll. The Nurses Retention Incentive receipts totalled \$1,190k while payments totalled \$1,048k.

Fourth Quarter: Cash balance \$4,223,858. COVID-19 funding continued monthly and amounted to another \$3.4 million with total 2022 funding to date of \$13.6 million. Also continued to receive monthly Strathroy capital funding with total receipts of \$939k as of December 31st, leaving \$111k still outstanding (\$79k receivable from 2022 and \$32k approved and to be received in 2023).

Ministry Clawbacks / Prior Year Adjustments / Capital (as per Schedule B – Cashflow Schedule)

February: *\$1,054,677 Paid.* 2021 School Focused Nurses Initiative. We had received \$2.2 million with forecasted usage of \$924,470. The Ministry clawed back \$1,054,677. We now owe the Ministry \$220,853.

March: *\$81,244 Received.* Vaccine reimbursement of \$87,366 offset with a claw back of \$6,122 for compensation initiative.

April: *\$1,776,900 Received.* 2021 COVID-19 funds received. Required \$1,082,558 to balance. Now owe the Ministry \$694,342.

June: *\$82,524 Received.* Current year funding for Seniors Dental Capital-Strathroy (this is under review to determine if it is Seniors Dental operating or Seniors Dental capital). *Updated during Q3, this was operating and has been moved as such within the schedule. This item now shows as zero.*

August: *\$132,632 Received.* Funding received for Seniors Dental Capital-Strathroy.

September: *\$26,524 Received.* Funding received for Seniors Dental Capital-Strathroy.

December’s Adjustment of \$455,475:

\$324,121 owing. A review of Middlesex-London Health Unit's submitted 2019 Annual Reconciliation Report has determined that this amount is owed to the Ministry.

\$4,287,997 receivable. The amount of funding required to balance Shared Funding Programs and COVID-19 to zero, no surplus and no deficit.

\$1,419,130 owing. 2020 COVID-19. COVID-19 costs were estimated at \$5,996,023 during the 2020Q4 SAR submission – this is the amount that was paid to the Health Unit in 2021. Final COVID-19 costs were determined to be \$4,576,893 and reported as such in the audited ARR (annual reconciliation report).

\$235,388 owing. 2020 Senior Dental Care Program. We had received \$1,861,400 and used \$824,233. The Ministry claw backed \$801,779 with the balance still owing.

\$186,278 owing. 2021 Senior Dental Care Program. We had received \$1,861,400 and used \$1,675,122. We now owe the Ministry \$186,278 (reconciled to 2021 ARR submission).

\$220,853 owing. 2021 School Focused Nurses Initiative. Represents the estimated remaining amount that wasn’t clawed back in February as noted above (2,200,000 funding - 924,470 usage - 1,054,677 clawback).

\$111,372 receivable. Capital for Strathroy Dental: We have received \$938,728 to date. We were approved for a total of \$1,050,100 leaving \$111,372 still to be received (of which \$31,800 is approved for 2023).

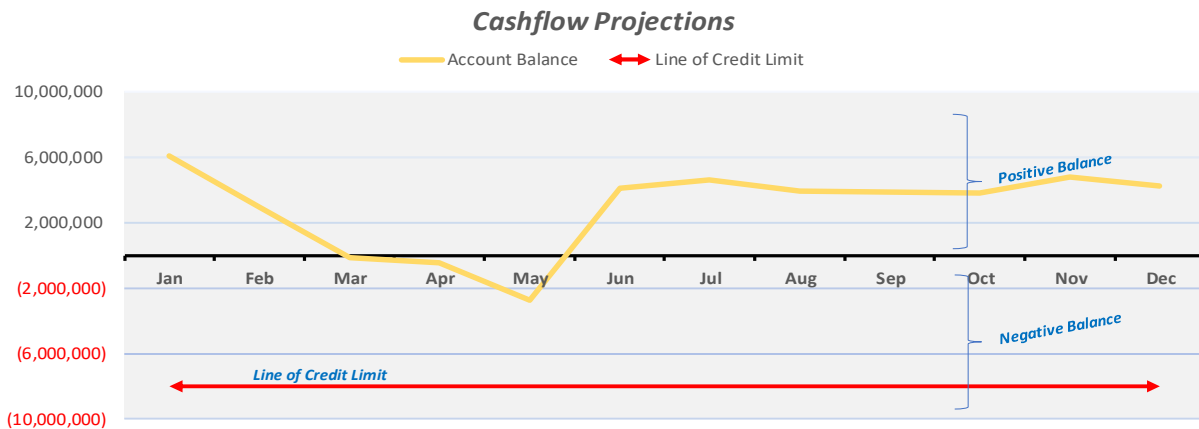
\$450,000 Receivable. 2021 Year-End & COVID-19. Ministry approved an additional \$2,226,900 on March 31st to further support 2021 operations of which we received \$1,776,900 on April 26th. The remaining \$450,00 is outstanding. Update: 2021 costs deferred to 2022 in order to reduce the reported “Indirect Costs-Mandatory Programs” as requested from the Ministry.

\$694,342 owing. 2021 Year-End & COVID-19. Required \$1,082,558 to balance – the 2021Q4 presentation showed a draft, non-audited, requirement of \$1,451,665. This amount was reduced through the year end closing process. On April 26th, we received \$1,776,900. We now owe the Ministry \$694,342.

\$494,305 owing. 2022 School Focused Nurses Initiative. We were approved for \$1,642,700 and used \$1,148,395 – leaving the balance payable to the Ministry.

\$369,477 owing. 2022 Seniors Dental. We were approved for \$2,191,500 and used \$1,822,023 – leaving the balance payable to the Ministry.

Below is a graphical representation of cashflow based on the above commentary.



Schedule A – Consolidated Results

Q4 Financials, ending December 31, 2022

(revenue)/expenses	Financials from Jan to Dec			Annual Fcst @ Q3
	Actual	Budget	fav/(unf)	
Shared Funding Programs				
Grants, User Fees & Other Income	(32,308,474)	(31,181,248)	1,127,226	(32,417,184)
Salaries & Wages	19,147,875	20,534,072	1,386,197	19,104,246
Salaries & Wages Overtime	157,924	30,288	(127,636)	301,667
Benefits	4,454,884	5,203,438	748,553	4,631,729
Gap	0	(1,593,768)	(1,593,768)	0
General Expenses	6,435,141	7,007,219	572,078	6,063,352
Total Expenses	30,195,824	31,181,249	985,424	30,100,994
(Surplus) / Deficit	(2,112,649)	1	2,112,650	(2,316,190)
COVID-19 Programs (816, 818, 819-SFNI)				
Grants, User Fees & Other Income	(19,016,192)	(28,794,894)	(9,778,702)	(19,871,462)
Salaries & Wages	13,297,563	19,270,986	5,973,423	13,465,785
Salaries & Wages Overtime	2,172,427	1,910,105	(262,322)	2,571,036
Benefits	2,022,351	3,421,058	1,398,707	2,493,046
General Expenses	3,636,500	4,192,745	556,245	3,657,786
Total Expenses	21,128,841	28,794,894	7,666,053	22,187,652
(Surplus) / Deficit	2,112,649	(0)	(2,112,649)	2,316,190
Combined: (Surplus)/Deficit	0	1	0	0
	<i>(Expenses: COVID-19 \$19,980,446 and SFNI \$1,148,395)</i>			
Other 100% Funded Programs				
Seniors Dental Program (172)				
Grants, User Fees & Other Income	(2,191,500)	(1,861,400)	330,100	(2,191,500)
Salaries & Wages	744,613	506,334	(238,279)	506,334
Salaries & Wages Overtime	27,123	0	(27,123)	0
Benefits	178,428	134,230	(44,198)	78,987
General Expenses	871,860	1,220,836	348,976	755,223
Total Expenses	1,822,023	1,861,400	39,376	1,340,543
(Surplus) / Deficit	(369,477)	(0)	369,476	(850,957)

Schedule A.1 – Shared Funding Programs

Q4 Financials, ending December 31, 2022

<i>(revenue)/expenses</i>	Financials from Jan to Dec			Annual Fcst @ Q3
	Actual	Budget	fav / (unf)	
Office of the Medical Officer of Health				
Office of the Associate MOH	133,778	313,670	179,892	172,164
Office of the MOH	455,041	475,273	20,232	456,539
Population Health Assess & Surv	528,321	616,675	88,354	515,746
Program Planning & Evaluation	503,722	930,337	426,616	495,394
Office of the Medical Officer of Health Total	1,620,862	2,335,956	715,094	1,639,842
Office of the Chief Nursing Officer Division				
Chief Nursing Officer	183,015	521,371	338,356	258,078
Health Equity	397,859	453,100	55,241	420,910
Office of the Chief Nursing Officer Division Total	580,874	974,472	393,598	678,988
Environmental Health & Infectious Diseases				
Community Outreach & Clinical Support Services	1,196,326	933,393	(262,933)	876,129
Food Safety & Healthy Environments	1,618,701	1,828,009	209,308	1,641,892
Infectious Diseases	875,068	1,381,211	506,143	603,468
Office of the Director	200,950	261,715	60,765	230,866
Safe Water & Vector-Borne Diseases	1,296,740	1,362,036	65,297	1,310,101
Sexual Health	2,234,875	2,462,289	227,414	2,313,401
Vaccine Preventable Disease	1,739,830	1,521,822	(218,008)	1,602,785
Environmental Health & Infectious Diseases Total	9,162,489	9,750,476	587,987	8,578,642
Healthy Living				
Child Health Team	2,050,333	1,713,587	(336,746)	2,008,731
Chronic Disease & Tobacco Control	1,167,993	1,346,607	178,614	1,167,839
Healthy Communities & Injury Prevention	568,437	1,272,365	703,927	567,303
Office of the Director	204,547	272,516	67,970	212,974
Oral Health Programs	508,934	1,031,918	522,984	1,066,002
SFO-South West TCAN	205,996	447,858	241,862	208,550
Young Adult Team	1,215,126	1,148,143	(66,984)	1,209,508
Healthy Living Total	5,921,365	7,232,993	1,311,628	6,440,907
Healthy Start				
Early Years Community Health Promotion	1,141,565	1,154,265	12,700	1,086,635
Healthy Beginnings Visiting & Grp Programs	1,355,017	1,687,613	332,596	1,470,116
Healthy Families Home Visiting	891,522	883,893	(7,628)	835,343
Office of the Director	270,115	218,155	(51,960)	262,144
Healthy Start Total	3,658,219	3,943,927	285,708	3,654,239
Healthy Organization				
Communications	656,706	605,384	(51,321)	655,340
Finance	436,215	387,174	(49,041)	501,120
General - Main MLHU	(27,453,994)	(28,632,988)	(1,178,994)	(27,947,790)
Human Resources	929,776	863,841	(65,935)	1,002,894
Information Technology	1,399,037	1,522,128	123,091	1,491,128
Office of the Director	408,933	368,222	(40,711)	405,665
Procurement & Operations	265,810	198,508	(67,302)	253,629
Strategy, Risk & Privacy	301,060	449,909	148,848	329,206
Healthy Organization Total	(23,056,458)	(24,237,822)	(1,181,364)	(23,308,808)
(Surplus) / Deficit	(2,112,649)	1	2,112,650	(2,316,190)

Notes:

- These results are for MLHU only and exclude MLHU2 which are all 100% funded programs.

Schedule A.2 – COVID-19

Q4 Financials, ending December 31, 2022

<i>(revenue)/expenses</i>	Financials from Jan to Dec			Annual Fcst @ Q3
	Actual	Budget	fav / (unf)	
816, Immunization Covid Clinics				
Revenue				
Grant Revenue	(10,492,533)	(13,035,351)	(2,542,818)	(11,842,728)
Revenue Total	(10,492,533)	(13,035,351)	(2,542,818)	(11,842,728)
Expense				
Salary and Wages	7,303,228	6,478,026	(825,202)	7,676,844
Salary and Wages - OT	993,180	1,910,105	916,925	1,223,041
Benefits	981,601	965,660	(15,941)	1,029,055
Furniture & Equipment	1,498,026	1,634,791	136,765	1,483,038
Occupancy Costs	995,087	286,200	(708,887)	810,911
Other (Program) Costs	0	41	41	10
Program Supplies	290,229	574,207	283,979	359,337
Professional Services	525,372	1,070,959	545,587	596,624
Staff Development	5,342	427	(4,915)	5,449
Travel	13,117	114,934	101,817	38,792
Expense Total	12,605,183	13,035,351	430,168	13,223,100
816, Immunization Covid Clinics Total	2,112,650	(0)	(2,112,650)	1,380,372
818, Covid-19				
Revenue				
Grant Revenue	(7,375,264)	(15,759,543)	(8,384,279)	(8,028,734)
Revenue Total	(7,375,264)	(15,759,543)	(8,384,279)	(8,028,734)
Expense				
Salary and Wages	4,968,982	12,792,960	7,823,978	5,788,941
Salary and Wages - OT	1,179,247	0	(1,179,247)	1,347,995
Benefits	917,708	2,455,398	1,537,690	1,463,991
Furniture & Equipment	199,522	0	(199,522)	156,508
Interest Expense	6,512	20,000	13,488	(1,942)
Occupancy Costs	32,892	156,500	123,608	68,947
Other (Program) Costs	64,805	70,000	5,195	70,262
Program Supplies	3,498	190,585	187,087	49,921
Professional Services	1,005	60,000	58,995	16,005
Staff Development	0	2,600	2,600	650
Travel	1,094	11,500	10,406	3,273
Expense Total	7,375,264	15,759,543	8,384,279	8,964,553
818, Covid-19 Total	(0)	0	0	935,819
819, SFNI				
Revenue				
Grant Revenue	(1,148,395)	0	1,148,395	0
Revenue Total	(1,148,395)	0	1,148,395	0
Expense				
Salary and Wages	1,025,353	0	(1,025,353)	0
Benefits	123,042	0	(123,042)	0
Expense Total	1,148,395	0	(1,148,395)	0
819, SFNI Total	0	0	0	0
(Surplus) / Deficit	2,112,649	(0)	(2,112,649)	2,316,190

Schedule A.3 – Seniors Dental Program

Q4 Financials, ending December 31, 2022

<i>(revenue)/expenses</i>	Financials from Jan to Dec			Annual Fcst @ Q3
	Actual	Budget	fav / (unf)	
Revenue				
Grant Revenue	(2,191,500)	(1,861,400)	330,100	(2,191,500)
Revenue Total	(2,191,500)	(1,861,400)	330,100	(2,191,500)
Expense				
Salary and Wages	744,613	506,334	(238,279)	506,334
Salary and Wages - OT	27,123	0	(27,123)	0
Benefits	178,428	134,230	(44,198)	78,987
Furniture & Equipment	65,969	165,836	99,867	47,519
Occupancy Costs	36,233	0	(36,233)	18,117
Program Supplies	140,211	128,000	(12,211)	61,454
Professional Services	629,319	915,000	285,681	625,006
Staff Development	0	2,000	2,000	500
Travel	127	10,000	9,873	2,627
Expense Total	1,822,023	1,861,400	39,376	1,340,543
(Surplus) / Deficit	(369,477)	(0)	369,476	(850,957)

Schedule A.4 – General Expense Details

Q4 Financials, ending December 31, 2022

	Financials from Jan to Dec			Annual Fcst @ Q3
	Actual	Budget	fav / (unf)	
Office of the Medical Officer of Health				
Other (Program) Costs	2,036	6,440	4,404	2,071
Professional Services	4,897	7,000	2,103	6,647
Program Supplies	29,345	27,188	(2,157)	24,055
Staff Development	3,215	11,250	8,035	5,684
Travel	542	11,500	10,958	3,076
Office of the Medical Officer of Health Total	40,035	63,378	23,343	41,534
Office of the Chief Nursing Officer Division				
Other (Program) Costs	14,819	9,000	(5,819)	(36,250)
Professional Services	2,027	32,000	29,973	11,027
Program Supplies	3,871	8,313	4,442	5,729
Staff Development	9,469	8,000	(1,469)	2,269
Travel	0	6,000	6,000	1,500
Office of the Chief Nursing Officer Division Total	30,186	63,313	33,127	(15,725)
Environmental Health & Infectious Diseases				
Cost of Goods Sold	(1,107)	52,300	53,407	13,075
Furniture & Equipment	10,923	14,500	3,577	7,887
Other (Program) Costs	17,922	58,199	40,277	42,876
Professional Services	859,695	904,734	45,039	801,883
Program Supplies	320,178	439,725	119,547	319,396
Staff Development	10,394	16,945	6,551	11,670
Travel	40,179	83,773	43,594	42,320
Environmental Health & Infectious Diseases Total	1,258,184	1,570,176	311,992	1,239,108
Healthy Living				
Furniture & Equipment	0	14,701	14,701	3,675
Other (Program) Costs	21,021	49,745	28,724	14,676
Professional Services	5,085	29,225	24,140	12,374
Program Supplies	236,030	438,654	202,624	234,587
Staff Development	3,494	25,215	21,721	8,988
Travel	22,795	86,760	63,965	36,268
Healthy Living Total	288,425	644,300	355,875	310,568
Healthy Start				
Furniture & Equipment	112	1,500	1,388	487
Occupancy Costs	270	1,000	730	250
Other (Program) Costs	1,824	3,750	1,926	1,754
Professional Services	22,905	54,264	31,359	28,179
Program Supplies	39,028	91,826	52,798	38,514
Staff Development	1,913	19,625	17,712	5,411
Travel	13,216	54,170	40,954	20,690
Healthy Start Total	79,269	226,135	146,866	95,285
Healthy Organization				
Board Expenses	46,784	39,000	(7,784)	42,224
Furniture & Equipment	508,892	589,237	80,345	465,477
Interest Expense	212,636	259,308	46,672	242,420
Occupancy Costs	2,403,260	2,410,990	7,730	2,396,575
Other (Program) Costs	111,856	128,350	16,494	115,250
Professional Services	742,588	796,195	53,607	876,096
Program Supplies	232,709	112,155	(120,554)	191,138
Staff Development	116,649	86,222	(30,427)	56,961
Transfers	360,791	0	(360,791)	0
Travel	2,878	18,460	15,582	6,442
Healthy Organization Total	4,739,042	4,439,917	(299,125)	4,392,582
Covid-19				
Furniture & Equipment	1,697,548	1,634,791	(62,757)	1,639,546
Interest Expense	6,512	20,000	13,488	(1,942)
Occupancy Costs	1,027,979	442,700	(585,279)	879,858
Other (Program) Costs	64,805	70,041	5,236	70,272
Professional Services	526,377	1,130,959	604,582	612,629
Program Supplies	293,726	764,792	471,066	409,258
Staff Development	5,342	3,027	(2,315)	6,099
Travel	14,212	126,434	112,222	42,065
Covid-19 Total	3,636,500	4,192,745	556,245	3,657,786
Total Expenses	10,071,641	11,199,964	1,128,322	9,721,138

Schedule B – Cashflow Schedule

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Opening Cash Balance	10,505,109	6,087,405	2,957,693	(135,998)	(464,604)	(2,707,972)	4,133,230	4,600,519	3,916,743	3,865,229	3,780,557	4,764,745	10,505,109
Cash Receipts	2,944,209	3,142,787	3,484,629	3,050,117	2,914,835	11,221,889	4,285,101	4,801,938	4,504,261	4,414,423	4,351,155	4,043,114	53,158,459
Cash Disbursements	(7,750,197)	(6,272,500)	(6,578,320)	(3,378,723)	(5,158,203)	(4,380,688)	(3,817,811)	(5,485,715)	(4,555,775)	(4,499,095)	(3,366,966)	(3,878,527)	(59,122,519)
Ending Cash Balance	6,087,405	2,957,693	(135,998)	(464,604)	(2,707,972)	4,133,230	4,600,519	3,916,743	3,865,229	3,780,557	4,764,745	4,223,858	4,541,050
Receipts:													
MOH Mandatory Programs	1,651,958	1,651,958	1,651,965	1,650,542	1,650,542	1,650,542	1,650,542	1,650,542	1,650,542	1,650,542	1,650,542	1,650,539	19,810,756
MOH Mitigation Funding	0	226,884	113,441	85,082	102,098	180,890	139,706	139,706	139,706	139,706	139,706	139,703	1,546,628
MOH Other Funding	6,686	6,686	6,689	6,040	6,040	997,788	72,156	72,156	72,156	72,156	72,156	(232,863)	1,157,846
Grant Income IPAC	0	0	292,986	0	0	0	0	270,068	0	0	0	0	563,053
City of London	558,714	665,414	612,067	612,067	612,067	612,067	612,067	612,067	612,067	612,067	612,067	612,061	7,344,792
County of Middlesex	108,942	0	108,942	228,723	0	239,563	0	239,563	119,782	119,782	119,782	119,782	1,404,861
100% Covid / Recovery						6,789,900	1,131,650	1,131,650	1,131,650	1,131,650	1,131,650	1,131,650	13,579,800
100% SFNI	184,250	184,250	184,250	60,500	157,300	254,100	254,100	183,340	183,340	183,340	183,340	183,340	2,195,450
100% Senior Dental Care Pgrm	155,116	155,116	155,118	155,116	155,116	237,640	182,624	182,624	182,624	182,624	182,624	182,620	2,108,962
Other Revenue (from Operations)	71,601	11,282	121,580	45,096	24,730	52,457	8,175	5,279	10,924	49,346	49,346	49,346	499,163
Discreet Programs (flow-thru)				0	0	0	0	108,000	0	39,130	3,000	0	150,130
MOH Other Funding													
Sub-Total - MLHU	2,737,266	2,901,590	3,247,037	2,843,166	2,707,893	11,014,947	4,051,020	4,594,995	4,102,791	4,180,343	4,144,213	3,836,178	50,361,441
100% - Public Health of Canada		34,254	30,649				27,138	0	194,527	27,138			313,705
100% - Public Health of Ontario		0	0				0	0	0				0
100% - MCCSS	206,943	206,943	206,943	206,951	206,942	206,942	206,943	206,943	206,943	206,942	206,942	206,936	2,483,313
Sub-Total - MLHU2	206,943	241,197	237,592	206,951	206,942	206,942	234,081	206,943	401,470	234,080	206,942	206,936	2,797,018
Total Cash Receipts	2,944,209	3,142,787	3,484,629	3,050,117	2,914,835	11,221,889	4,285,101	4,801,938	4,504,261	4,414,423	4,351,155	4,043,114	53,158,459
Budgeted Cash Receipts	5,442,503	5,442,503	5,442,503	5,442,503	5,442,503	5,442,503	5,442,503	5,442,503	5,442,503	5,442,503	5,442,503	5,442,473	65,310,006
Cash Disbursements:													
Salaries and Wages	2,564,116	1,214,457	2,502,303	1,315,156	1,794,800	1,559,259	1,524,737	1,591,213	2,632,970	1,152,677	1,150,131	1,293,830	20,295,648
Benefits	633,943	388,995	575,210	379,734	401,137	381,948	411,637	377,934	489,268	234,482	218,926	173,064	4,666,277
General Expenses	1,440,796	1,058,790	610,393	1,777,180	1,292,303	702,423	191,856	984,444	602,083	1,059,834	622,100	1,327,008	11,669,210
Covid / SFNI / Recovery	1,751,871	2,612,317	2,209,353	1,476,603	1,768,997	1,530,116	1,455,500	1,401,126	1,715,319	1,818,022	1,168,867	1,583,164	20,491,255
GAP	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub-Total - MLHU	6,390,726	5,274,559	5,897,259	4,948,672	5,257,237	4,173,746	3,583,731	4,354,717	5,439,639	4,265,015	3,160,024	4,377,066	57,122,390
Sub-Total - MLHU2	206,943	241,197	237,592	206,951	206,942	206,942	234,081	206,943	401,470	234,080	206,942	206,936	2,797,018
Ministry Clawbacks/Prior Yr/Capital		1,054,677	(81,244)	(1,776,900)		0		(132,632)	(26,524)			(455,475)	(1,418,098)
HST Paid/(Received)		(282,722)			(305,976)			(202,123)				(250,000)	(1,040,821)
Changes in Working Capital	1,152,528	(15,211)	524,713					1,258,810	(1,258,810)				1,662,029
Total Cash Disbursements	7,750,197	6,272,500	6,578,320	3,378,723	5,158,203	4,380,688	3,817,811	5,485,715	4,555,775	4,499,095	3,366,966	3,878,527	59,122,519
Budgeted Cash Disbursements	5,122,649	5,122,649	5,122,649	7,186,453	5,110,297	5,110,297	5,110,297	5,110,297	7,186,453	5,110,297	5,110,297	4,907,371	65,310,006

Schedule C – Factual Certificate

To: Members of the Board of Health, Middlesex-London Health Unit

The undersigned hereby certify that, to the best of their knowledge, information and belief after due inquiry, as at December 31, 2022:

1. The Middlesex-London Health Unit is compliant, as required by law, with all statutes and regulations relating to the withholding and/or payment of governmental remittances, including, without limiting the generality of the foregoing, the following:
 - All payroll deductions at source, including Employment Insurance, Canada Pension Plan and Income Tax
 - Ontario Employer Health Tax
 - And Federal Harmonized Sales Tax (HST).
 Further, staff believe that all necessary policies and procedures are in place to ensure that all future payments of such amounts will be made in a timely manner.
2. The Middlesex-London Health Unit has remitted to the Ontario Municipal Employees Retirement System (OMERS) all funds deducted from employees along with all employer contributions for these purposes.
3. The Middlesex-London Health Unit is compliant with all applicable Health and Safety legislation.
4. The Middlesex-London Health Unit is compliant with applicable Pay Equity legislation.
5. The Middlesex-London Health Unit has not substantially changed any of its accounting policies or principles since December 8, 2016.
6. The Middlesex-London Health Unit reconciles its bank accounts regularly and no unexpected activity has been found.
7. The Middlesex-London Health Unit has filed all information requests within appropriate deadlines.
8. The Middlesex-London Health Unit is compliant with the requirements of the Charities Act, and the return for 2021 has been filed.
9. The Middlesex-London Health Unit was named in a complaint to the Human Rights Tribunal of Ontario (HRTO) by a former student which was dismissed; this matter is now closed. MLHU has also been named in a second complaint to the HRTO by the same individual. This application is in respect to the recruitment of three management positions from 2017 and 2018 for which he was not selected for an interview. After significant delay related to COVID-19, the HRTO has offered mediation for this case; legal consultation is underway.

10. The Middlesex-London Health Unit has been named in a legal action with respect to 'Cali Nails' or 'the numbered company that operated Cali Nails' for damages arising from the Order to close for Infection Prevention and Control (IPAC) infractions, and the publication of the associated Closure Order. The claim alleges that, as the Order to close and the associated public notice that the IPAC infractions could lead to blood borne infections, this directly led to the drop in its business and the closure of the salon. Ultimately damages are being sought as a result. Legal proceedings are ongoing.

11. The Middlesex-London Health Unit is fulfilling its obligations by providing services in accordance with our funding agreements, the Health Protection & Promotion Act, the Ontario Public Health Standards, and as reported to the Board of Health through reports including but not limited to:
 - Quarterly Financial Updates
 - Annual Audited Financial Statements
 - Annual Reporting on the Accountability Indicators
 - Annual Service Plans
 - and Information Summary Reports.

Dated at London, Ontario this 31st day of January 2023.

Dr. Alex Summers
Medical Officer of Health

Ms. Emily Williams
Chief Executive Officer