

AGENDA
MIDDLESEX-LONDON BOARD OF HEALTH
Finance & Facilities Committee

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

- 1. DISCLOSURE OF CONFLICTS OF INTEREST**
- 2. APPROVAL OF AGENDA – March 9, 2023**
- 3. APPROVAL OF MINUTES – February 2, 2023**
- 4. CONFIDENTIAL**

The Middlesex-London Board of Health (Finance and Facilities Committee) will move into a confidential session to discuss matters which pertain to one or more of the following, as per section 239(2) of the *Municipal Act, 2001, S.O. 2001, c. 25*:

- (a) the security of the property of the municipality or local board;
- (b) personal matters about an identifiable individual, including municipal or local board employees;
- (c) a proposed or pending acquisition or disposition of land by the municipality or local board;
- (d) labour relations or employee negotiations;
- (e) litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board;
- (f) advice that is subject to solicitor-client privilege, including communications necessary for that purpose;
- (g) a matter in respect of which a council, board, committee or other body may hold a closed meeting under another Act;
- (h) information explicitly supplied in confidence to the municipality or local board by Canada, a province or territory or a Crown agency of any of them;
- (i) a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization;
- (j) a trade secret or scientific, technical, commercial or financial information that belongs to the municipality or local board and has monetary value or potential monetary value; or

(k) a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

5. NEW BUSINESS

- 5.1 Proposed Revised 2023 Budget (Report No. 04-23FFC)
- 5.2 2022 Vendor and Visa Payments (Report No. 05-23FFC)

6. OTHER BUSINESS

Next meeting: Thursday, May 11, 2023 at 9:00 a.m.

7. ADJOURNMENT



PUBLIC SESSION – MINUTES
MIDDLESEX-LONDON BOARD OF HEALTH
FINANCE AND FACILITIES COMMITTEE

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

MEMBERS PRESENT: Mike Steele (Chair)
Matt Reid
Selomon Menghsha – arrived at 9:05
Mike McGuire

OTHERS PRESENT: Stephanie Egelton, Executive Assistant to the Board of Health (recorder)
Emily Williams, Chief Executive Officer
Dr. Alexander Summers, Medical Officer of Health
Dave Jansseune, Assistant Director, Finance
Carolynne Gabriel, Executive Assistant to the Medical Officer of Health
Mary Lou Albanese, Director, Environmental Health and Infectious Disease

At **9:02 a.m.**, Secretary and Treasurer Emily Williams called the meeting to order.

MEETING PROCEDURES

Election of 2023 Finance and Facilities Committee Chair

Secretary and Treasurer Emily Williams opened the floor to nominations for Chair of the Finance & Facilities Committee for 2023.

It was moved by **M. McGuire, seconded by M. Reid**, *that Mike Steele be nominated for Chair of the Finance & Facilities Committee for 2023.*

Carried

Mike Steele accepted the nomination.

E. Williams called three times for further nominations. None were forthcoming.

It was moved by **M. Reid, seconded by M. McGuire**, *that Mike Steele be acclaimed as Chair of the Finance & Facilities Committee for 2023.*

Carried

DISCLOSURES OF CONFLICT OF INTEREST

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

APPROVAL OF AGENDA

It was moved by **M. Reid, seconded by M. McGuire**, *that the AGENDA for the February 2, 2023 Finance & Facilities Committee meeting be approved.*

Carried

APPROVAL OF MINUTES

It was moved by **M. McGuire, seconded by M. Reid**, that the *MINUTES* of the November 3, 2022 Finance & Facilities Committee meeting be approved.

Carried

NEW BUSINESS

2023 Reporting Calendar and Terms of Reference (Report No. 01-23FFC)

Emily Williams, Chief Executive Officer presented the 2023 reporting calendar and terms of reference for the Finance and Facilities Committee. It was noted that there were proposed changes of the meeting cadence to align with quarterly reporting timelines.

E. Williams suggested to shift the meeting dates to the second Thursday of each month to further assist with reporting logistics. The Committee noted no concerns with the schedule change.

It was moved by **M. Reid, seconded by M. McGuire**, that the Finance & Facilities Committee recommend to the Board of Health to:

- 1) Approve the 2023 Finance and Facilities Committee Reporting Calendar to include the timing change of meetings to the second Thursday of the meeting month; and
- 2) Approve the Finance and Facilities Committee Terms of Reference as amended.

Carried

Q4 Financial Update, Financial Borrowing and Factual Certificate Update (02-23FFC)

Emily Williams, Chief Executive Officer introduced Dave Jansseune, Assistant Director, Finance to present the Q4 Financial Update, Financial Borrowing and Factual Certificate Update.

Shared Funded Programs

- Surplus of \$2.1 million
- MLHU has \$32.3 million in funding with \$30.2 million in expenses.
- COVID-19 has resulted in a deficit of \$2.1 million, with \$17.9 million in funding and \$20.0 million in expenses.

100% Funded Programs

- School Focused Nurses Initiative: funding of \$1.6 million and expenditures totaling \$1.1 million.
- Seniors Dental Program: funding of \$2.2 million and expenditures totaling \$1.8 million.
- Nurses Retention Incentive: funding of \$1.2 million and expenditures totaling \$1.1 million.
- CLIF – City of London Funding for Cannabis Legalization: funding of \$416,000 and expenditures totaling \$294,000. It is noted that the City of London approved carryover of these funds into 2023.
- Strathroy Capital for Seniors' Dental project is actively underway with \$1 million available for funding.

Shared Funding – Variances

- Grants, user fees, and incomes are showing favourability of \$1,127,000 due to Nurses Retention Incentive.
- Salaries and wages are showing favourability of \$1,386,000 due to vacancies at the MLHU.
- Overtime hours are showing unfavourability of \$128,000.
- Benefits are showing favourability of \$749,000.
- General Expenses are showing favourability of \$572,000 which includes:
 - o Professional Services at \$186,000;

- Program Supplies at \$257,000;
- Travel at \$181,000;
- Equipment at \$100,000;
- Transfer to reserves at \$361,000 unfavourability (which includes the previous transfers to the Employment Costs and Technology & Infrastructure reserves);
- Other costs at \$209,000.

Forecast

- Shared Funding Programs had forecasted a surplus of \$2.3 million with an actual of \$2.1 million.
- COVID-19 & School Focused Nursing forecasted expenditures at \$22.1 million of actual at \$21.1 million.
- This demonstrates highly accurate forecasting for the 2022 budget year.

Cashflow

- There is a potential for GIC investments to diversify cashflow and offset interest rate expenses.
- The bank balance as of December 31 was \$4.2 million (positive).
- For borrowing, the fixed loan is at \$3.05 million with \$2.8 million owing and the variable loan is at \$1.15 million with \$1.035 million owing.
- In reserves, there is \$287,000 in the Employment Cost Reserve and \$250,000 in the Technology & Infrastructure Reserve.
- COVID-19 funding for Q4 was \$3.4 million.
- Strathroy Capital (Seniors' Dental) funding for Q4 was \$939,000.

D. Jansseune noted that MLHU is continuing with year-end closing with minimal entries, preparing for the audit in March and April, preparing financial statements and the Ministry of Health Annual Reconciliation Report. It was added that any changes to numbers would be reported to the Board of Health.

Committee Member Matt Reid inquired if the Ministry of Health will be providing funding in a monthly or quarterly cadence. D. Jansseune noted that this information was not known at this time. E. Williams added that in the event of delayed funding, like last year, the line of credit can be used.

E. Williams added that the budget will be coming to FFC and the Board of Health in March.

Chair Steele inquired on the reserve amount contributions for 2022. D. Jansseune clarified that it resets on January 1 – meaning that the Health Unit is in compliance with contributions.

It was moved by **M. McGuire, seconded by M. Reid**, *that the Finance & Facilities Committee make a recommendation to the Board of Health to receive Report No. 02-23FFC re: 2022 Q4 Financial Update, Financial Borrowing and Factual Certificate for information.*

Carried

OTHER BUSINESS

The next meeting of the Finance and Facilities Committee will be held on Thursday, March 9, 2023 at 9 a.m.

ADJOURNMENT

At **9:29 a.m.**, it was moved by **M. Reid, seconded by M. McGuire**, *that the meeting be adjourned.*

Carried

MICHAEL STEELE
Chair

EMILY WILLIAMS
Secretary

DRAFT



MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 04-23FFC

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 March 9

PROPOSED REVISED 2023 BUDGET

Recommendation

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

- 1) Receive Report No. 04-23FFC re: "Proposed Revised 2023 Budget" for information; and*
- 2) Approve the disinvestments and investments as outlined in Report No. 04-23FFC.*

Key Points

- In response to high levels of uncertainty and significant inflationary pressures (\$897,000), the MLHU introduced new budget planning processes for 2023 which were approved by the Board of Health on October 20, 2022.
- The new budget planning processes included zero-based budgeting for General Expenses and the use of two frameworks to guide decision-making (the Public Health Program Pyramid and Critical Business Infrastructure frameworks).
- Reductions in General Expenses and disinvestments in cell phones and Vector Borne Disease students were previously approved by the Board of Health in November of 2022.
- Zero-based budgeting was expanded to include a review of staffing levels across the health unit.

Background

[Report No. 16-22FFC](#) outlined in detail the funding assumptions and pressures facing the MLHU for the 2023 budget year. Mitigation funding, to offset the proposed changes to cost-sharing between the province and the municipalities, and COVID-19 extraordinary funding have been confirmed by the province; however, information regarding 2023 base funding remains unknown. The Senior Leadership Team (SLT) supported the recommendation of the Chief Executive Officer (CEO) to assume that provincial funding will remain flat to 2022 levels, and that requesting further municipal funding will exceed the planned level of contributions (30%) and is therefore not recommended at this time. Inflationary pressures initially estimated at \$897,000 represent increases to salary/benefit/steps for employee wages and corporate inflation (e.g. Insurance and licensing costs). The budgeting process including a zero-based budgeting technique to review General Expenses, and newly added two frameworks, the Public Health Program Pyramid and Critical Business Infrastructure framework, to guide leaders in determining which programs and services to disinvest. [Report No. 20-22FFC](#) outlined a proposed 2023 budget to the Board of Health (BOH) and approval was received for reductions in general expenses (\$437,217), cell phones (\$12,000) and Vector Borne Disease students (\$31,880). The BOH also directed staff to hold on further disinvestments until provincial funding was known, which was anticipated to be communicated in January of 2023.

2023 Proposed Budget Revisions

Since the previous 2023 Budget Proposal to the BOH in November of 2022, the zero-based budgeting approach was expanded to include a review of staffing levels across the health unit. Additional savings in General Expenses have also been identified, bringing the total savings to \$523,441. In the initial proposed budget, staff recommended decreasing the gapping budget from \$1,500,000 to \$1,200,000; however, given the ongoing challenge in recruiting to vacant positions and with the first quarter almost concluded, staff now recommend only a slight decrease to the gapping budget from 2022 levels.

The Medical Officer of Health (MOH) and the Chief Executive Officer (CEO) re-reviewed the potential reductions in programs and services previously identified through the two frameworks (Public Health Program Pyramid and Critical Business Infrastructure). Sufficient disinvestments have been identified to meet the financial target, but all of them have associated negative impacts to the organization and services provided by the Health Unit to the community of Middlesex-London.

Next Steps

Provincial funding remains unknown and the MLHU is required to submit an approved budget via the Annual Service Plan to the Ministry of Health by April 3, 2023. Staff are recommending including the disinvestments identified by the MOH and CEO in the budget submission. Staff are also recommending monitoring variance funds throughout the year, prior to implementing disinvestments. In the meantime, leadership continues to advocate for additional funding from the province through participation in advocacy groups (alPHa, COMOH) and directly with the Ministry of Health Funding and Oversight Branch.

This report was prepared by the Chief Executive Officer.



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



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



MIDDLESEX-LONDON HEALTH UNIT

REPORT NO. 05-23FFC

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 March 9

2022 VENDOR AND VISA PAYMENTS

Recommendation

It is recommended that the Finance & Facilities Committee recommend to the Board of Health to receive Report No. 05-23FFC re: “2022 Vendor and VISA Payments” for information.

Key Points

- [Appendix A](#) provides a list of vendors that received payments totalling \$100,000 or more from the Middlesex-London Health Unit in 2022.
- [Appendix B](#) provides a summary of purchases made using the corporate purchase (Visa) cards.

Vendor Payments

In accordance with Section 5.17 of the MLHU Procurement Policy, Finance is to report annually those suppliers who have invoiced a cumulative total value of \$100,000 or more in a calendar year. Attached ([Appendix A](#)) is a list of twenty-four vendors who were issued cumulative payments in excess of \$100,000 in 2022.

Corporate Purchase Card (Visa) Payments

A summary is also prepared to report purchases made with corporate purchase (visa) cards. Attached ([Appendix B](#)) is a summary, by category, of the purchases made using the corporate credit cards in 2022. The total amount purchased using these cards was \$278,407 over 1,303 transactions. Corporate purchase (visa) cards are used frequently to facilitate the efficient payment of goods and services and to accommodate vendors where payment terms are credit card only.

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

Handwritten signature of Emily Williams in cursive.

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

Handwritten signature of Alexander T. Summers in cursive.

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

2022 Vendor Payment Summary > \$100,000

No.	Vendor Name	Total Invoiced	Comments
1	OMERS	\$4,526,547	Pension Payments (includes employee share)
2	Citi Plaza London Inc.	\$2,208,531	Lease Related Payments - Office
3	Canada Life	\$1,735,824	Employer Health Benefits (including LTD paid by employees)
4	Western Fair District	\$1,232,245	Rental of Facilities for COVID Clinics
5	Stronghold Services	\$1,096,667	IT Service Contract (includes \$318,005 for managed IT Services, \$179,603 for additional staff, \$165,798 for Equipment, and \$433,261 for managed software licenses including O365 and anti-virus protection)
6	Regional HIV/AIDS Connection	\$586,114	Needle Exchange Program (majority 100% funded by Ministry of Health)
7	GARDA	\$573,435	Security Services for COVID Clinics
8	Paladin Security Group	\$476,312	Security Services for COVID Clinics
9	Ceridian Canada Ltd.	\$387,665	Dayforce Services (HRIS)
10	City of London	\$359,198	Rental of Facilities for COVID Clinics, Labour Costs
11	Workplace Safety & Insurance	\$302,140	WSIB Premium
12	Verto Inc.	\$252,314	Online Booking System for COVID Clinics
13	Henry Schein Canada Inc.	\$224,235	Dental Supplies for Senior Dental Program
14	Express Employment Professionals	\$180,919	Temporary Staffing
15	Rogers Wireless	\$169,418	Wireless Communications Provider - including purchases for Vaccine Clinics
16	McKesson Canada	\$168,633	Distributor of NRT and Contraceptives
17	Front Street Revival	\$162,869	Lease Related Payments - Office - Strathroy
18	The Wright Clinic	\$162,035	Dental Services for Senior Dental Program
19	Hicks Morley Hamilton Stewart Storie LLP	\$129,578	Legal Services
20	Frank Cowan Company Ltd	\$113,046	Insurance
21	Brian Kyle Denturist Professional Corp.	\$112,007	Dental Services for Senior Dental Program
22	Sodexo Canada Ltd.	\$108,497	Cleaning Services for COVID Clinics
23	London West Denture Clinic	\$108,448	Dental Services for Senior Dental Program
24	The Canadian Centre for Mosquito	\$103,168	VBD Larval Mosquito Surveillance Control

Summary of 2022 Corporate Purchase Card Purchases

Expense Category	2021		2022	
	Amount	# of Transactions	Amount	# of Transactions
Accommodations / Meals	\$ 9,639	14	\$ 2,402	13
Advertising / Health Promotion	19,979	114	27,952	52
Computer Equipment / Supplies	22,759	145	19,572	30
Materials & Supplies	180,027	784	102,789	513
Medical / Clinic Supplies	8,490	48	54,718	298
Memberships / Agency Fees	24,274	84	6,377	30
Other Expenses	14,114	16	25,711	124
Professional Development	24,726	78	29,767	212
Travel ¹	11,272	25	9,118	31
Total	\$ 315,280	1,308	\$ 278,407	1,303

Notes:

1. Travel includes all modes of travel, including air, train, vehicle rentals, gas and parking