



Committee of the Whole

Meeting Date: **October 24, 2023**

Submitted by: **Cindy Howard, County Treasurer**

Subject: **Budget Variance Report - September 2023**

BACKGROUND:

Council approves annual budgets for all departments. Professional estimates, the current legislative environment, macroeconomic trends (such as currency fluctuations, commodity prices, unemployment figures and business investment, etc.) and other local information available at the time are significant inputs to the budget recommended to Council by administration. All departments monitor revenues and expenditures on an ongoing basis.

Financial Reports to the end of September have been provided to you. We have now completed nine months of 2023 and below is an update on any variances. This is the first variance report in 2023 that shows year end projections. The County is expecting a surplus for 2023. However, the County continues to face ongoing financial pressures and challenges including inflation and supply-chain disruption. Department Heads were consulted in the preparation of this report.

ANALYSIS:

Highlights of the budget variances by department are as follows:

Administration:

Interest Revenue from investments are higher than budget due to higher interest rates. Supplementary tax revenues and tax write-offs are part of the yearend process. Administration is tracking a surplus due to higher than budgeted interest revenue.

Planning:

No significant variances at this time.

Economic Development:

No significant variances at this time.

Information Technology:

Expenditures are tracking as expected.

Social Services:

The social housing amount has been prorated until actual billings are received from the City of London.

Children Services actuals are higher than budget due to Canada-Wide Early Learning and Child Care (CWELCC) program.

Other Program Costs includes the Provincial Homelessness Prevention Services program. The 2023 Middlesex County Allocation for Homeless Prevention Services is \$873,903. This amount includes the base allocation (\$210,245) and One-Time Allocation (\$663,658). Confirmation of this funding was received May 19, 2023 from the City of London.

Transportation:

No significant variances at this time.

Strathmere Lodge:

The Lodge received additional COVID-19 Prevention and Containment funding and additional funding for personal protective equipment (PPE) allocated for the 2022-23 fiscal year. The final Ministry of Long- Term Care 2022-23 Prevention and Containment Expenditures reporting was completed in April 2023.

The lodge received an increase in Ministry funding to support staffing and building repairs.

The Lodge is currently tracking a surplus due to the additional Ministry funding received.

Ambulance:

MLPS continues to see a rapid increase in call volume combined with increasing offload delay challenges. MLPS continues to ensure that the MLPS Authority Board is updated as appropriate and to work with our partners and the Ministry of Health to address these pressures. MLPS is working on projecting year end budget projections.

On August 30, 2023, the Ministry of Health advised that Middlesex County will receive up to \$1,037,884 in one-time funding for the 2023/2024 funding year to support the Dedicated Offload Nurses Program.

On August 30, 2023, the Ministry of Health advised that Middlesex County will receive for the 2023 calendar year up to \$26,426,622 in 50/50 Land Ambulance Services Grant

(LASG) (base funding). This funding includes an annual allocation to offset ongoing pandemic related costs.


The 2023 Budget projection has been updated to reflect the increase in Ministry of Health funding.

Library Services:

The budget variance related to postage and deliveries is over budget by approximately \$19,500. This variance is a result of changes required during the year and this service will be re-evaluated as part of the 2024 budget process.

ALIGNMENT WITH STRATEGIC FOCUS:

This report aligns with the following Strategic Focus, Goals, or Objectives:

Strategic Focus	Goals	Objectives
Promoting Service Excellence 	Innovate and transform municipal service delivery	<ul style="list-style-type: none">• Anticipate and align municipal service delivery to emerging needs and expectations• Engage, educate and inform residents, businesses, and visitors of county services and community activities• Collaborate with strategic partners to leverage available resources and opportunities• Build organizational capacity and capabilities

RECOMMENDATION:

THAT the Budget Variance Report – September 2023 be received for information; and
THAT the 2023 Land Ambulance budget be updated to reflect the new 2023 projection based on actual funding received from the Ministry of Health.