

Title: Corporate Services Updates

To: Board of Health

From: Matthew Vrooman, Director, Corporate Services

Date: 2024-06-20

Approved by: Dr. Natalie Bocking, Medical Officer of Health & CEO

In Camera?  Yes  No

---

## Unaudited Operating Statements for the period ending May 31, 2024

Enclosed are the unaudited operating statements reflecting the result of operation for the period ending May 31, 2024.

In summary, there is a cumulative deficit for the first five months of the fiscal year 2024, totaling \$156,765.

The results from current operations show that revenue received was approximately \$254,705 less than budgeted for the first five months of the fiscal year. The shortfall in revenue received, coupled with \$88,404 in underspending, resulted in the current deficit of \$156,765. The revenue shortfall is a timing difference, which is expected to reverse as we get closer to our fiscal year end.

### Variance Analysis

- Salary and benefits lines combined for a surplus of \$64,436.
- Most of the expenditure line items are trending at budget or below except for computer support, communication costs, professional development, and equipment.
- Professional development expenditures are significantly higher due to the timing of payment for workplace training. Typically, budgeted amounts are spread evenly as monthly expenditures while actual costs are posted as they are incurred.
- Total expenditures year-to-date is currently sitting at 41.81% of the budgeted amounts for the first five months of the fiscal year. Year-to-date we have received 41.10% of the expected revenue for the first five months of the fiscal year.

## Operating and Reserve Bank Accounts

- As of May 31, 2024, the reserve bank account balance is \$1,532,173.81 and the operating account balance is \$5,063,777.18.
- We currently have an Automated Deposit Interest Arrangement (ADI) on our reserve and operating accounts where interest is paid *on the entire interest-bearing balance*. The effective rate of interest is 5.48% which is 1.72% below the Royal Bank Prime (RBP), currently at 7.2%.
- The best rate currently offered by RBC for GIC's range from 5.31% for a 60-day term to 5.03% for a one-year term.

## **Recommendations to the Board of Health**

That the unaudited operating statements for the five-month period ending May 31, 2024, be received for information.