



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health

DATE: 2015 July 2

FINANCIAL UPDATE – MAY 2015

Recommendation

It is recommended that the Finance & Facilities Committee receive Report No. 18-15FFC re Financial Update – May 2015 for information.

Key Points

- This past May it was reported ([Report No. 013 – 15FFC](#)) re Q1 Financial Update Report that an operating deficit was projected for 2015 and guidance was sought whether to scale back operations accordingly. The Committee provided direction to continue as planned and provide notification to the City and County.
- The projected deficit has improved marginally to \$120,679 from \$157,093 resulting from additional expected position gapping

Background

At its meeting in May 2015 the Committee received [Report No. 013-15FFC](#), re Q1 Financial Update Report for information. The report identified and projected variances to the end of 2015. At the time it was projected that a deficit of \$157,093 was likely to occur as a result of receiving no additional funding from the MOHLTC for Mandatory Programs in 2015. The Committee provided direction to continue program operations as planned (which included an estimate 1% increase in Mandatory Program funding from the MOHLTC) and to provide notification to both the City of London and County of Middlesex.

This report provides an update to these projections using expenditures and revenues to May 31, 2015.

Financial Update

Attached as Appendix A is the Budget Variance Summary which provides actual and budgeted expenditures for the first five months and projections to the end of the operating year for the programs and services governed by the Board of Health.

The projected deficit position has improved marginally to \$120,679 from \$157,093 mainly due to updated information regarding the duration and number of vacancies. In addition, favourable variances are expected in Children In Need Of Treatment (CINOT) claims as a result of a provincial initiative to consolidate claims management across the province. It is expected that CINOT claims will be 100% funded as of August 1, 2015.

Conclusion

Given Ministry staff direction to plan for no increase in Mandatory Programs funding, analysis to May 31, 2015 suggests a projected year-end deficit position of roughly \$120,679 as shown in [Appendix A](#).

Ministry grant approvals are not expected until the Fall.

This report was prepared by Mr. John Millson, Director of Finance & Operations.

A handwritten signature in black ink, appearing to read 'C. Mackie', is positioned above the printed name and title.

Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health