

DRAFT  
Memorandum of Agreement

**Between**

Middlesex-London Health Unit  
(Hereinafter Referred to as the “Health Unit”)

**And**

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(Name of Obligated Municipality)

It is recognized that the maintenance of a reserve and reserve funds is an acceptable business practice.

In order for the Health Unit to address one-time or short-term expenditures, either planned or unplanned, which arise, it is necessary to maintain reserves and/or reserve funds.

It is understood that the Health Unit will attempt to offset any unexpected expenditures within their annual operating budget for all Health Unit programs, where possible without jeopardizing programs.

Any audited unexpended municipal funds are eligible for transfer to a reserve and/or reserve fund by resolution of the Board of Health.

Any contributions to reserve and/or reserve funds will be made using the same apportionment used for funding public health programs. For clarity, the current apportionment used is the percentage of population method. For every municipal dollar of funding 84% comes from the City of London, and 16% from the County of Middlesex.

It is agreed that any reserves which are presented in the audited financial statements be capped at 10% of the Health Unit’s total gross revenues found on the statement of operations of the audited financial statements. It is further agreed that annual contributions will be capped to 2% of the Health Unit’s total gross revenues found on the statement of operations of the audited financial statements.

It is agreed that in the case of reserve funds, there is no cap on annual contributions, however, the maximum contributions shall equal the estimated amount of the commitment or requirement specified.

Any excess unexpended municipal funds above the amount transferred annually to a reserve and/or reserve funds, will be returned to the obligated municipality at their respective rate following the approval of the annual financial statements.

Any withdrawal from a reserve and/or reserve fund will be made by a Board of Health resolution.

The Health Unit will provide an annual report to the obligated municipalities outlining the transactions of the reserve and/or reserve funds during the previous year.

IN WITNESS THEREOF, the parties have executed this Agreement, dated  
at, \_\_\_\_\_, Ontario this \_\_\_\_ day of \_\_\_\_\_, 2013.

**Obligated Municipality:**

\_\_\_\_\_  
Name of Municipality

1) \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name, Title

2) \_\_\_\_\_  
Signature

\_\_\_\_\_  
Name, Title

**Health Unit:**

Middlesex-London Health Unit  
\_\_\_\_\_  
Name of Health Unit

1) \_\_\_\_\_  
Signature

Chair, Board of Health  
\_\_\_\_\_  
Name, Title

2) \_\_\_\_\_  
Signature

Dr. Christopher Mackie, Secretary-Treasurer  
\_\_\_\_\_  
Name, Title