



TO: Chair and Members of the Finance & Facilities Committee

FROM: Laura Di Cesare, Acting Chief Executive Officer

DATE: 2017 May 4

Q1 FINANCIAL UPDATE AND FACTUAL CERTIFICATE

Recommendation

It is recommended that the Finance & Facilities Committee review and recommend to the Board of Health to receive Report No. 020-17FFC re: Q1 Financial Update and Factual Certificate for information.

Key Points

- The 2017 approved budget assumes a 1.5-percent increase in Mandatory Programs funding from the Ministry of Health and Long-Term Care (MOHLTC).
- The annual grant request was submitted to the MOHLTC on March 1, 2017, and included one-time funding requests totaling \$141,361 for two PHI practicum placements, enforcement of the Healthy Menu Choices Act, a new vaccine fridge, expansion of the HPV vaccine program and nicotine replacement initiatives.
- Ministry grant approvals are expected in late summer (Q2) or early fall (Q3).
- Included in the financial update is a signed factual certificate, which provides assurance that financial and risk management functions are being performed.

Background

The Board of Health approved the 2017 operating budget on February 16, 2017 ([Report No. 007-17FFC](#)). The approved budget includes a \$250,000 contribution to the Technology and Infrastructure Reserve Fund and assumes a 1.5-percent increase in Mandatory Programs funding from the Ministry of Health and Long-Term Care. Also, in the same grant submission, one-time funding of \$141,361 was requested for two PHI practicum placements, enforcement of the Healthy Menu Choices Act, a new vaccine fridge, expansion of the HPV vaccine program and nicotine replacement therapy initiatives.

Financial Highlights

The Budget Variance Summary, which provides budgeted and actual expenditures for the first three months and projections to the end of the operating year for the programs and services governed by the Board of Health, is attached as [Appendix A](#).

Current forecasting shows favourable variances across the organization as a result of position vacancies due to implementation of approved PBMA proposals, maternity leaves, retirements/resignations, medical leaves of absence, employer paid benefits premiums and savings in the Regional HIV/AIDS Connection contract. These favourable variances are partially offset by the following expenditures:

- \$50,000 Anticipated Dental Treatment Clinic operating deficit.
- \$20,000 Additional EI benefits for maternity/parental leaves (EI top-up).
- \$27,883 Additional resources required to support the MOH/CEO role while Dr. Mackie is on a leave of absence.

Overall, the net favourable variance is \$261,501, and will contribute to the overall expected annual gapping budget of \$749,155. The Health Unit is expecting to break even by the end of 2017, assuming that the Province provides the expected additional funding.

Ministry grant approvals are not expected until late summer or early fall.

Factual Certificate

A signed factual certificate, attached as [Appendix B](#), is to be signed by senior Health Unit administrators responsible for ensuring certain key financial and risk management functions are being performed to the best of their knowledge. The certificate is revised as appropriate on a quarterly basis and submitted with each financial update.

This report was prepared by the Finance Team, Corporate Services Division.



Laura Di Cesare, CHRE
Acting Chief Executive Officer