

TO: Chair and Members of the Finance & Facilities Committee  
FROM: Christopher Mackie, Medical Officer of Health / CEO  
DATE: 2018 November 1

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## Q3 FINANCIAL UPDATE AND FACTUAL CERTIFICATE

### **Recommendation**

*It is recommended that the Finance & Facilities Committee recommend that the Board of Health:*

- 1) Receive Report No. 038-18FFC re: “Q3 Financial Update and Factual Certificate” for information; and*
- 2) Approve the allocation of surplus to mitigate costs related to relocation project expenses and the Electronic Client Records project.*

### **Key Points**

- The 2018 approved budget assumes a zero-percent increase in Mandatory Programs funding from the Ministry of Health and Long-Term Care (MOHLTC).
- On May 7, 2018, the Board of Health received the provincial grant approvals for 2018, which included an increase to base funding totaling \$484,000. This increase is now reflected in the revised budget for 2018.
- To the extent that favourable spending arises during the year in excess of the planned gapping adjustment, it is recommended that the variance is allocated to relocation project expenses and to the implementation of Electronic Client Records (ECR).
- 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 2018 MLHU operating budget on February 15, 2018 ([Report No. 005-18FFC](#)). On May 7, 2018, the Board received the provincial grant approvals for 2018, which included an increase to base funding totaling \$484,000. This increase is now reflected in the revised budget for 2018.

### **Financial Highlights**

The Budget Variance Summary—which provides budgeted and actual expenditures for the first nine months of 2018, 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](#). Based on detailed estimates of spending to occur over the remainder of the year within the revised budgets, a year-end surplus of \$115,297 is projected. It is recommended that a portion of this surplus be allocated to relocation project expenses as required and that up to \$110,000 be allocated to Electronic Client Records (ECR). The \$110,000 would be used to purchase fifty licenses, which are required to continue the extensive project development work already underway on this strategic initiative.

### **Factual Certificate**

A factual certificate, attached as [Appendix B](#), is to be signed by Health Unit staff responsible for ensuring that 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 Healthy Organization Division.



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Medical Officer of Health / CEO