



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2019 September 5

Q2 FINANCIAL UPDATE AND FACTUAL CERTIFICATE

Recommendation

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

- 1) Receive Report No. 029-19FFC re: “Q2 Financial Update and Factual Certificate” for information; and*
- 2) Approve the allocation of variance funds, above those required to offset the agency gapping budget, to relocation-related expenses to a maximum of \$1 million in 2019.*

Key Points

- The 2019 approved budget assumes a zero percent increase in Mandatory Programs funding from the Ministry of Health and Long-Term Care (MOHLTC).
- A full-year spending deficit of \$61,911 is currently forecast as favourable variances anticipated across the organization have nearly offset the planned agency gapping budget of \$1,124,269.
- 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 MLHU’s 2019 operating budget on February 15, 2019 (see [Report No. 007-19FFC](#)). The approved budget includes a \$250,000 contribution to the Technology and Infrastructure Reserve Fund and assumes no increase in Mandatory Programs funding from the MOHLTC.

Financial Highlights

The Budget Variance Summary, which provides budgeted and actual expenditures for the first six months and projections to the end of the operating year for programs and services governed by the Board of Health, is attached as [Appendix A](#). This analysis is based on the original budget for 2019 as approved by the Board of Health and outlined in Report 007-19FFC.

The current full-year forecast projects a spending deficit of \$61,911, as favourable variances anticipated across the organization will largely offset the expected agency gapping budget of \$1,124,269.

The Health Unit recommends that variance funds of up to \$1,000,000 in 2019 be applied toward relocation-related costs.

Factual Certificate

A signed factual certificate (attached as [Appendix B](#)) is to be signed by senior Health Unit administrators 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 Finance Team, Healthy Organization Division.



Alexander Summers, Associate Medical Officer of Health



Maureen Rowlands, Director, Healthy Living

On behalf of Christopher Mackie, Medical Officer of Health / CEO