



TO: Chair and Members of the Board of Health

FROM: Graham L. Pollett, MD, FRCPC  
Medical Officer of Health

DATE: 2012 September 13

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## **2012 BUDGET – SECOND QUARTER REVIEW**

### ***Recommendation***

*It is recommended that Report No. 104-12 re 2012 Budget – Second Quarter Review be received for information.*

### **2<sup>nd</sup> Quarter Review**

The attached Budget Summary ([Appendix A](#)) shows actual and budgeted expenditures net of offset revenues for the six-month period January 1<sup>st</sup> to June 30<sup>th</sup>, 2012. For the programs with a March 31<sup>st</sup> year-end, this report shows the actual and budgeted expenditures net of offset revenues for the three-month period April 1<sup>st</sup> to June 30<sup>th</sup>, 2012.

### **Cost-Shared Programs**

The net budget for cost-shared programs for 2012 was Board approved at \$23,092,916. For the first half of the year, Cost-Shared Programs are reporting a favourable variance of \$1,106,024. The majority of this variance is explained by timing differences in salary payments and other payments, staff vacancies, seasonal programming, and natural turnover. Analysis of operating accounts to June 30<sup>th</sup> and projections to the year-end suggest that there may be minor operating surplus due to unanticipated vacancies.

### **Other 100% Funded Programs/Initiatives**

For the December 31<sup>st</sup> programs, the second quarter shows a favourable variance of \$230,754. The majority of this variance is explained in timing differences in other operating expenditures (non salary related). For example, in the Smoke Free Ontario and the Healthy Babies Healthy Children Programs, many of the one-time funded projects are still outstanding and in development.

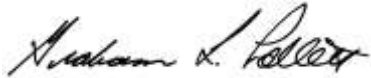
The Healthy Smiles Ontario program will generate a surplus for the Ministry of Health and Long-Term Care, partially due to a vacant Health Promoter position, as well as slower than desired client access to the program in 2012.

For the March 31<sup>st</sup> programs, there currently is a favourable variance of \$124,482. At this time, it is not expected that these programs will generate significant favourable variances by year end.

**Summary**

It is projected the Health Unit's Cost-Shared programs will generate a modest operating surplus due to unanticipated vacancies. The 100% Ministry of Health and Long-Term Care funded Healthy Smiles Ontario program will generate a surplus due to a position vacancy, as well as lower than desired client uptake of the services. It is also anticipated that the March 31<sup>st</sup> programs will end that fiscal year in a break-even position.

Mr. John Millson, Director, Finance and Operations, will be in attendance at the September 13<sup>th</sup>, Board meeting to address any questions regarding this report.



Graham L. Pollett, MD, FRCPC  
Medical Officer of Health

<b>This report addresses -</b> Policy No. 4-20 Expenditure Reports as outlined in the MLHU Administration Policy Manual.
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