

**Board of Health Manual
Public Health Sudbury & Districts
By-Law**

Category

Board of Health By-Laws

Section

By-laws

Subject

By-law 12-05

Number

G-I-70

Approved By

Board of Health

Original Date

December 2005

Revised Date

June 21, 2018

Review Date

June 21, 2018

To provide for the management of the Working Capital, and Research and Development Reserves:

The Board of Health for the Sudbury and District Health Unit has established reserves as follows:

1.

70-09 SUDBURY & DISTRICT BOARD OF HEALTH UNIT RESERVE FUNDS

Moved by Dennis - Spencer:

WHEREAS the *Health Protection and Promotion Act* (the "Act") requires, in section 72(1), that the expenses incurred by or on behalf of a Board of Health and the Medical Officer of Health in the performance of their functions and duties under the Act or any other act shall be borne and paid by the Municipalities in the health unit served by the Board of Health; and,

WHEREAS section 72(5)(1) of the Act requires the Board of Health to cause the preparation of an annual estimate of expenses for the next year; and,

WHEREAS such estimate of expenses may from time to time be too high or too low resulting in an excess or a shortfall respectively of funds paid by the Municipalities; and,

WHEREAS the Board of Health considers it prudent and expedient to establish reserve funds, which include reserves, into which, inter alia, any excess funds received in any year be paid to be applied to cover any shortfall of funds in future years; and,

WHEREAS section 417(1) of the Municipal Act empowers the Board of Health in each year to provide in its estimate of expenses for the establishment or maintenance of a reserve fund for any purpose for which it has authority to expend funds; and,

WHEREAS section 417(2) of the *Municipal Act* only requires the approval of the Councils of the majority of the Municipalities in a health unit for the establishment and maintenance of a reserve fund if the Board of Health is required to obtain such approval for capital expenditures; and,

WHEREAS section 52(4) of the Act only requires the Board of Health to seek the approval of the Councils of the majority of Municipalities in a health unit for capital expenditures made to acquire and hold real property; and,

WHEREAS to obviate the need to seek the approval of the Councils of the majority of the Municipalities in the Sudbury and District Health Unit to establish and maintain a reserve fund, the reserve fund will contain a restriction that the funds therein shall not be used for capital expenditures to acquire real property without first obtaining the approval of the Councils of the majority of the Municipalities in the Sudbury and District Health Unit as required by section 52(4) of the Act; and,

WHEREAS the Board of Health previously passed motion 20-08 with respect to reserve funds;

NOW THEREFORE BE IT RESOLVED THAT

- (1) The Board of Health motion 20-08 with respect to reserve funds is hereby repealed and rescinded; and,
- (2) The Board of Health forthwith establish and maintain reserve funds for Working Capital, Human Resources Management, Public Health Initiatives and Response, Corporate Contingencies, and Facility and Equipment Repairs and Maintenance; and,
- (3) The reserve funds shall be used and applied only to pay for expenses incurred by or on behalf of the Board of Health and the Medical Officer of Health in the performance of their functions and duties under the Act or any other Act; and,

- (4) None of the reserve funds shall be used or applied for capital expenditures to acquire and hold real property unless the approval of the Councils of the majority of the Municipalities in the Sudbury and District Health Unit have been first obtained pursuant to section 52(4) of the Act; and,
- (5) The Board of Health in each year may provide in its estimates for a reasonable amount to be paid into the reserve funds provided that no amount shall be included in the estimates which is to be paid into the reserve funds when the cumulative balance of all the reserve funds in the given year exceeds 15 percent of the regular operating revenues for the Board of Health approved budget for the mandatory cost shared programs and services; and,
- (6) All lease revenues, received by the Board of Health under leases of part of its premises, in excess of the actual operating costs attributable to the leased premises, shall be paid annually into the reserve funds; and,
- (7) Any over-expenditures in any year shall be paid firstly from the reserve funds and only when the reserve funds shall have been exhausted will the Board of Health seek additional funds from the Municipalities to pay for such over-expenditures; and,
- (8) Any excess revenues in any year resulting from an over estimate of expenses shall be paid into the reserve funds; and,
- (9) The Medical Officer of Health shall in each year direct the allocation of excess funds to such reserve fund or funds as the Medical Officer of Health shall decide; and,
- (10) The Medical Officer of Health shall be entitled to transfer funds from one reserve fund to another reserve fund at any time and from time to time.

And;

2.

83-02 Moved by Kinoshameg - Edwards:

WHEREAS the Sudbury & District Health Unit has opportunities to provide public health research, evaluation and program services to entities other than the Ministry of Health and Long Term Care and generate revenue through grants and honoraria and other sources of revenue that may arise from time to time for these services; and

WHEREAS there are costs associated with developing these opportunities that are not contemplated by the revenue-shared program budgets;

THEREFORE BE IT RESOLVED THAT the Board of Health approve the establishment of a reserve on behalf of the Sudbury & District Health Unit for the purpose of developing revenue generating opportunities and that this reserve be funded by 80% of the unspent revenues related to these activities. The remaining 20% of the unspent revenue will remain in the revenue-shared program budget

for purposes of reimbursing the program for costs incurred in support of these efforts.

And;

3. The Medical Officer of Health shall be responsible for the management of the reserves in accordance with respective Board of Health motions and Board By-law 01-93.
4. The approval of the Board of Health shall be required for any transfers from the Board's reserves that constitute part of the annual budget approval process or that are in excess of \$100,000 per transaction.