

South East Health Unit

formerly



BOARD OF HEALTH OPEN SESSION MINUTES

Wednesday, August 27, 2025

Brockville

10:00 a.m.

Minutes of the meeting of the South East Health Unit held at 458 Laurier Blvd., Brockville, ON, through in-person and Zoom attendance.

In attendance:

In-Person: Mayor Jan O'Neill, Mr. Stephen Bird, Councillor Judy Greenwood-Speers, Mayor Robin Jones, Councillor Sean Kelly, Reeve Richard Kidd, Councillor Anne-Marie Koiner, Councillor Peter McKenna, Councillor Bill Roberts, Warden Nathan Townend.

Virtual: Dr. Jeffrey Allin, Councillor Conny Glenn, Councillor Michael Kotsovos, Councillor Jeff McLaren, Ms. Melanie Paradis, Ms. Barb Proctor, Mr. Chris Seeley

Regrets: Dr. David Pattenden

Officer: Dr. Piotr Oglaza

1. **CALL TO ORDER** – The meeting was called to order at 10:00 a.m. by Chair J. O'Neill.
2. **LAND ACKNOWLEDGEMENT** – Spoken by Chair J. O'Neill.
3. **ROLL CALL** – Conducted by Recorder, H. Bruce.

Dr. P. Oglaza and Chair J. O'Neill thanked Executive Assistant C. Lovell for her dedication to public health, acknowledged her extraordinary commitment to the success of the new entity, and wished her well in her retirement.

4. **APPROVAL OF THE AGENDA**

It was MOVED by Warden N. Townend and SECONDED by Councillor B. Roberts THAT the Board of Health approve the agenda for August 27, 2025 as circulated.

CARRIED

5. **APPROVAL OF THE MINUTES OF PREVIOUS MEETING**

It was MOVED by Mayor R. Jones and SECONDED by Councillor S. Kelly THAT the Board of Health approve the minutes of the meeting held on July 23, 2025, as circulated.

CARRIED

6. DISCLOSURE OF PECUNIARY INTEREST – No conflicts were disclosed.**7. NEW BUSINESS****7.1 Municipal Levies Presentation**

Dr. P. Oglaza advised that the purpose of this discussion is to ensure that the municipalities that form the SEHU are entering into this new entity as equal partners and will be supported by the reallocation of municipal contributions on a per capita basis. The model being forecasted for municipalities provides stability in terms of expectations and that municipal contributions will not increase more than six percent per year. Over the next two years, provincial funding will increase by one percent and there is merger funding available. What is before this Board today is a presentation that illustrates projections over the next five years with a focus on the next two years.

Finance Manager John Wickson outlined the three key themes of the presentation: equal partners, rebalancing, and a phased approach. The 2023 Statement of Financial Position was reviewed and there is a combined \$20 million accumulated surplus for the three legacy health units. Members discussed the differing surplus per capita among legacy HPE, KFLA and LGL and establishing a minimum surplus per capita of \$32.03. Given percentages do not align on a population basis, the next step is rebalancing and reallocating. A 70/30 funding split was estimated in the model presented, which needs to be equal for each municipality.

A request was made for further discussion on the provincial/municipal funding split. Dr. P. Oglaza advised that what is being proposed is maintaining the status quo which results in a 70/30 funding split. If that is done, it comes at a different per capita level and that requires rebalancing to ensure all partners are equal. The decision today is to have a two-year horizon to maintain status quo with different reallocation within the SEHU and make it equitable within the municipalities that are forming the new entity. If the funding split changes to 75/25 there is a drop in the municipal levy by \$2.4 million and that results in services lost.

Legacy LGL was about to reduce services significantly had there not been a merger. The merger is an opportunity with provincial supports to allow service levels to remain the same rather than having to reduce services.

A question was raised about population numbers for Kingston and what the number represents and if it includes students. Dr. P. Oglaza advised that *IntelliHealth Ontario* is being recommended because that is what the Ministry of Health uses for health system planning.

ACTION: Dr. P. Oglaza will provide further details to the Board on IntelliHealth methodology.

Prior to the merger a number of funding splits were presented and 70/30 seemed to be the consistent option. If the merger had not taken place there would have been

serious consequences for all of the legacy Boards as they were not sustainable in the longer term. Chair J. O'Neill asked members if they would like to have another meeting to compare the funding split or carry on with the assumption of a 70/30 split.

Members requested that further discussion take place in September regarding the funding split and that the following information be provided:

- Outline what services may change, how to maintain current services and provide rationale for the 70/30 funding split.
- Go back to municipalities with an understanding of what this means and let them know the Board has done its due diligence.
- The gap that existed in LGL should be included in the briefing note along with background information.
- Follow up on the hypothesis for improved services with supporting data and facts.
- Helpful to know what legacy Boards had in place before the merger.
- Sell the benefits of public health – successes, efficiencies.
- Over six year projections going from 70/30 to 65/35 means for LGL a 57% increase with no mention of service increases or maintenance. It is important to have qualifiers available to the municipalities to be able to show where we are heading and why.
- Given the base funding is under review there may be changes. To forecast longer than two years is not practical.
- There is additional funding from the province to maintain status quo.
- If the ratio is changed to 75/25 that has an impact on FTEs and the ability to maintain services. More operational data is needed to maintain and expand services.
- The one percent base funding across the healthcare system is a challenge and there may be more certainty in a couple of years.
- The province's increase is only one percent and we are already experiencing funding erosion.
- It should be very clear that this is a two-year stop gap and there should be information in the motion about the funding from the province changing.

Dr. Oglaza advised at the April BOH meeting projections were presented on funding streams and if nothing is done there will be a \$15 million deficit. At that meeting, an idea was presented to create new funding buckets of \$5 million and that a percentage of that would come from municipalities. The 70/30 funding split does not address the deficit and there is still a potential decrease in funding in terms of projection. The funding split of 65/35 was the goal to alleviate this. Building on that in September, the concept of creating the \$5 million bucket will be discussed and a presentation given.

Discussion ensued whether motion 2 should be reworded to include an end date.

ACTION: Based on the feedback from board members staff will prepare an enhanced briefing note outlining advantages and disadvantages of the funding split that provides context for the September meeting.

Dr. P. Oglaza advised that further information will be provided on the funding scenarios and he will take direction from the Board in September to build the budget.

Mayor J. O'Neill thanked staff for their presentation and board members for their input.

7.2 Municipal Levies Briefing Note

It was **MOVED** by Warden N. Townsend and **SECONDED** by Mayor R. Jones that the following motions be deferred until the September meeting:

MOTION 1: THAT the Board of Health approve the use of the Ministry of Health's database, "*IntelliHealth Ontario, Population Estimates and Projections*," as the basis for allocation municipal levies.

MOTION 2: THAT the Board of Health approve that, on a per capita basis, municipal levies will be equal across all municipalities.

MOTION 3: THAT the Board of Health approve that, as presented on August 27, 2025, all municipalities will contribute equally, on a per capita basis, to the creation of the "SEHU Surplus" account as at January 1, 2025; that funding from the Ministry of Health's one-time envelope, "Strengthening Public Health: Voluntary Merger," will be used to augment this account; and that any excess "Legacy Surplus" be transferred to the newly created "Municipal Accounts."

MOTION 4: THAT the Board of Health approve that, as presented on August 27, 2025, the 2025 Municipal Levies be adjusted; that any new excess or deficiency be allocated to or deducted from the newly created Municipal Accounts; and that any further deficiencies be covered by the Ministry of Health's one-time funding envelope, "Strengthening Public Health: Voluntary Merger."

MOTION 5: THAT the Board of Health approve the 2026 Municipal Levies, as presented on August 27, 2025, and authorize the SEHU staff to use them for 2026 planning and budgeting; and that staff work directly with municipal staff to utilize the newly created "Municipal Accounts."

CARRIED

8. CLOSED SESSION

It was **MOVED** by Warden N. Townsend and **SECONDED** by Mayor R. Jones THAT the Board of Health convene in closed session for the purposes of a discussion as it relates to Section 239(2) of the Municipal Act, and more specifically: (b) personal matters about an identifiable individual, including municipal or local board employees.

CARRIED


9. RISING AND REPORTING OF CLOSED SESSION

No specific action or decision was taken.

10. ADJOURNMENT

It was moved by Councillor S. Kelly and SECONDED by Councillor J. Greenwood-Speers THAT this Board of Health meeting be adjourned at 11:52 a.m.

CARRIED



Jan O'Neill, Board Chair
South East Health Unit