



Special County Council Meeting Minutes

**September 29, 2021, 1:00 p.m.
Virtual Meeting - Zoom Conference**

Members Present: Warden Robert Crate
 Deputy Warden Mandy Martin
 Councillor William Cane
 Councillor John Henderson
 Councillor Gail Latchford
 Councillor Brian Ostrander
 Councillor Robert Sanderson

1. Notices

1.a Accessible Format:

If you require this information in an alternate format, please contact the Accessibility Coordinator at accessibility@northumberlandcounty.ca or 1-800-354-7050 ext 2327.

1.b Meeting Format

Due to the ongoing Corona virus/COVID-19 pandemic, physical distancing protocols, and in the interests of public health and safety, this meeting will be conducted using Zoom conference technology for meeting participants (Council, County staff, media).

The public are invited to live-stream the meeting on YouTube:
<https://www.youtube.com/user/CountyNorthumberland>

1.c Estimated time of Adjournment 4:00 p.m.

2. Call to Order

Warden Crate called the meeting to order at 1:01 p.m.

2.a Territorial Land Acknowledgement

3. Approval of the Agenda

3.a Agenda dated September 29, 2021

Resolution 2021-09-29-640

Moved by Councillor John Henderson

Seconded by Councillor Robert Sanderson

"**That** the Special County Council Agenda for September 29, 2021 be approved."

Carried

4. Declaration of Interest

- no declarations

5. Presentations

N/A

6. Adoption of Minutes

6.a County Council Minutes of September 15, 2021

Resolution 2021-09-29-641

Moved by Councillor Gail Latchford

Seconded by Deputy Warden Mandy Martin

"**Be It Resolved That** the Minutes of the County Council Session of September 15, 2021 be approved as distributed and the determinations contained therein be deemed those of Council."

Carried

7. Business arising from the Minutes

- N/A

8. Communications

N/A

9. Determination of Items Requiring Separate Discussion

N/A

10. Adoption of Items Not Requiring Separate Discussion

N/A

11. Consideration of Items Requiring Separate Discussion

11.a Report 2021-153, Finance 'Hospital Funding Request Background and Considerations' - Staff Presentation

Matthew Nitsch

Resolution 2021-09-29-642

Moved by Councillor Robert Sanderson

Seconded by Councillor Gail Latchford

"**Whereas** County Council considered the request for financial support (levy funding) that it received from Northumberland Hills Hospital and Campbellford Memorial Hospital at its September 29, 2021 Special Meeting; and

Whereas Council deem it appropriate to further consider a funding request from the community hospitals located within Northumberland County;

Therefore Be It Resolved That Council receive the staff Report 2021-153 'Hospital Funding Request Background and Considerations' for information; and

Further Be It Resolved That Council request both hospitals to revise their funding request, specifically in terms of the amount, and, for specific capital priorities (specific equipment), as well as general funding requests; and to submit it to the County's CAO as soon as possible so that Council may consider this at their October 20, 2021 Council meeting."

Carried

12. Enactment By-laws

N/A

13. New Business

N/A

14. Proclamations

14.a Ontario Agriculture Week, October 4 - 10, 2021

Resolution 2021-09-29-643

Moved by Councillor John Henderson

Seconded by Councillor Robert Sanderson

“Whereas the week of October 4-10, 2021 is recognized as Ontario Agriculture Week; and

Whereas Ontario Agriculture Week is a time to celebrate food and farming across the province, and all of the farm families and producers who work tirelessly to provide an abundance of nutritious local food in Ontario; and

Whereas Ontario farmers proudly grow and produce more than 200 different food commodities for local and international markets; and

Whereas agriculture and food are the largest contributor to the economy of Northumberland County; and

Now Therefore Be It Resolved That I, Warden Bob Crate, on behalf of Northumberland County Council do hereby proclaim the week of October 4 to October 10, 2021 as Ontario Agriculture Week in Northumberland County and encourage all citizens to support Ontario farmers by buying locally grown products; and

Further Be It Resolved That a copy of this resolution be sent to the Northumberland County Agriculture Advisory Group, the Northumberland Federation of Agriculture, MP Philip Lawrence, the Hon. David Piccini, Minister of the Environment, Conservation and Parks, and the seven member municipalities.”

Carried

15. Media Questions

16. Closed Session

N/A

16.a Approval of the Closed Session Agenda

16.b Declaration of Interest

- 16.c Approval of Closed Session Council Minutes
- 16.d Closed Standing Committee Minutes
- 16.e Staff Reports / Presentations
- 17. Motion to Rise and Results from Closed Session
N/A
- 18. Confirming By-law
 - 18.a A By-law to confirm the proceedings of a meeting of County Council held on September 29, 2021

Resolution 2021-09-29-644
Moved by Councillor Gail Latchford
Seconded by Councillor William Cane

"That By-law 29-2021, being a By-law to confirm the proceedings of a Special meeting of County Council held on September 29, 2021 be introduced, be deemed to be read a first, second and third time, be passed, signed and sealed."

Carried

- 19. Adjournment

Moved by Deputy Warden Mandy Martin
Seconded by Councillor Brian Ostrander

"That Council adjourn at 2:40 p.m."

Carried

Robert Crate, Warden

Nancy MacDonald, Clerk



Hospital Funding Request

September 29,
2021



Presentation Outline



- Overview of Request
- County Role in Healthcare
- Previous Hospital Support
- Budget Engagement
- Examples of Municipal Hospital Support
- Financial Considerations
- Contractual Considerations
- Questions

Background



- Northumberland Hills Hospital (NHH) and Campbellford Memorial Hospital (CMH) have formally requested \$1M a year over 10 years towards funding capital needs
 - Province generally funds hospital operating costs
 - Typically, hospitals raise capital funds via hospital foundations from those stakeholders who choose to contribute
 - Any levy funding from the County would represent an additional property tax burden on all County property owners
 - Would expand further on the County's partnerships and financing already established within the community healthcare continuum

County Role in Healthcare



- Major contributor to local continuum of care
 - Long-term Care – Golden Plough Lodge
 - Paramedic Services
 - Health & Well-being – Community & Social Services
 - Ontario Health Team Northumberland
 - Haliburton Kawartha Pine Ridge District Health Unit



County Role in Healthcare



County levy towards financing healthcare programming is significant

	2021 Levy	% Levy	\$ Tax Impact to Average Home
Golden Plough Lodge	\$5,326,713	8.83%	\$109.51
Northumberland Paramedics	\$7,442,044	12.34%	\$153.00
Health Unit transfers	\$2,534,698	4.20%	\$52.11
Total	\$15,303,455	25.38%	\$314.63

County Role in Healthcare



- GPL Redevelopment
 - Expansion 151 to 180 beds
 - ~\$14.2M in levy over past years allocated to reserve towards financing project / ~\$292 avg. home
 - Long-term debt to be acquired up to ~\$97M
 - ~\$5.3M in future additional annual levy for operations and debt servicing / ~\$109 avg. home
- Health Unit
 - Transitioning towards a 70/30 Provincial/Municipal funding methodology (prev. 75/25) with many programs previously 100% funded by the Province
 - Estimated increase 2019 to 2022 ~\$734K / ~\$15 avg. home

Previous Hospital Support



- Sold 23.7 acres of land to the Northumberland Health Care Corp. at discounted price
 - Current site of NHH and vacant property
 - Appraisal in 1997 ~\$2.5M
 - Offered for sale to Northumberland Health Care Corp for \$2.0M
 - Purchase price in 2000 was \$920K
 - All proceeds distributed to member municipalities
 - Portion of proceeds donated back to the Northumberland Health Care Corp. \$482K (Cobourg, Hamilton, A/H & Cramahe)

Previous Hospital Support



- 2010 CMH
 - One-time request \$50K new CT Scanner
 - Council declined as part of annual budget deliberations
- 2011 NHH & CMH
 - Support requested for facility renewal
 - Council directed staff to report on feasibility of uploading any hospital support to the County
 - Working committee convened (County, Member Municipalities, NHH and CMH)
 - Proposed 70/30 allocation NHH and CMH, respectively
 - Hospitals provided data on 10-year capital needs
 - Council rejected uploading any hospital support to the County

Member Municipalities

Role in Healthcare



Member municipalities current support to health care services:

Support	2021 Budget
Hospitals	\$114,600
Physician Recruitment	\$206,625
Family Health Team / Medical Centres	\$18,000
Other	\$99,500

Budget Public Engagement



- 2022 budget engagement simulation tool included an exit question asking if respondents supported adding hospital funding to the County levy
 - 77 respondents completed the exit question
 - 36 did not support
 - 32 supported
 - 9 undecided
 - 23 people provided comments
 - 20 comments were from those who did not support
 - Majority of comments were focused on health care being a Provincial responsibility and in some instances taxes already being unaffordable

Examples of Municipal Hospital Support



- NHH & CMH request is comparable to support provided by other municipalities as a % of campaign
- As a percentage of total levy and on a per capita basis the impact to the County is significantly higher
- Generally, grants provided to hospitals from municipalities are to assist with financing larger non-recurring capital infrastructure projects

Examples of Municipal Hospital Support



Hospital	County	Population	Funding Request	2021 Levy	% of Annual Levy	\$ per Person
Groves Memorial Community Hospital	Wellington	101,000	\$ 5,000,000	\$ 108,000,000	4.63%	\$ 49.50
Cambridge Memorial Hospital	City of Cambridge & Region of Waterloo	624,000	\$ 14,000,000	\$ 682,500,000	2.05%	\$ 22.44
Stevenson Memorial Hospital	County of Simcoe	323,000	\$ 10,000,000	\$ 177,000,000	5.65%	\$ 30.96
Northumberland Hills/Campbellford Memorial	Northumberland County	90,700	\$ 10,000,000	\$ 60,000,000	16.67%	\$ 110.25

Financial Considerations



Incremental Impacts

Amount of Annual Funding	% of Levy	\$ Impact to Average Home Annually	\$ Impact to Average Home Over 10 Years
\$1,000,000	1.66%	\$20.56	\$205.59
\$900,000	1.49%	\$18.50	\$185.03
\$800,000	1.33%	\$16.45	\$164.47
\$700,000	1.16%	\$14.39	\$143.91
\$600,000	0.99%	\$12.34	\$123.36
\$500,000	0.83%	\$10.28	\$102.80
\$400,000	0.66%	\$8.22	\$82.24
\$300,000	0.50%	\$6.17	\$61.68
\$200,000	0.33%	\$4.11	\$41.12
\$100,000	0.17%	\$2.06	\$20.56

based on 2021 levy

Financial Considerations



- Opportunity cost to County if levy is used to fund hospitals over next decade with limited homeowner affordability
- County 2022 Budget
 - 4.6% base levy increase required per 2022 Budget Target Levy Report (June 1, 2021 Finance and Audit Committee) based on:
 - 2.7% inflation (current CPI 4.1%)
 - 1.9% uncontrollable / committed items
 - 0.9% increase for dedicated infrastructure investments
 - 5.4% total target levy proposed
 - 1.5% Finance & Audit Committee target recommendation
- County budgetary increases have not been keeping pace with EOWC municipalities
- Council policy considerations for possible future grant requests from other agencies / community groups

Financial Considerations



- County Infrastructure Deficit
 - County still underinvested for infrastructure investments with limited funds
 - Infrastructure spending in long-term financial model not keeping pace with requirements of Asset Management Plan
- County Debt
 - Significant amount of debt being utilized (and anticipated) towards financing:
 - GPL/NCAM Redevelopment
 - Social Housing Expansions
 - Brighton Shared Emergency Services Base
 - Consolidated Public Works Yard
 - Although debt servicing costs within limits of Annual Repayment Limit, capacity for future debt will be limited ensuring financial due diligence

Contractual Considerations



- Council could enter into an agreement over several years; thereby, binding future Councils, or exercise an agreement where funding is reviewed annually as part of the County budgetary process
- Staff recommend that any funding be contingent on formalization of a funding agreement highlighting terms such as:
 - Allocation of funds between NHH and CMH
 - County identification of specific capital items/projects for funding
 - Expenditure eligibility restricted to capital only exclusive of operating and administrative costs
 - Expenditure eligibility restricting use of funds for debt servicing
 - Payment milestones and certification of expenditures
 - Reporting requirements
 - Submission of a rolling forecast on County funded items/projects
 - Communication requirements
 - Possible County representation on an appropriate hospital Board and/or Committee

Questions

