



HASTINGS PRINCE EDWARD
Public Health

BOARD OF HEALTH MEETING

Wednesday, May 1, 2024

9:30 a.m. – 11:30 a.m.

In-Person

To ensure a quorum we ask that you please
RSVP to
clovell@hpeph.ca or 613-966-5500, Ext 231



Hastings Prince Edward Public Health
Main Office - 179 North Park Street, Belleville

Hastings Prince Edward Public Health 2019 - 2023 Strategic Plan

Our Vision

Healthy Communities,
Healthy People.

Our Mission

Together with our communities,
we help people become as
healthy as they can be.

Our Values Show We CARE



Collaboration



Advocacy



Respect



Excellence

Our Strategic Priorities



Community
Engagement



Staff
Engagement
and Culture



Population Health
Assessment and
Surveillance



Program
Standards



Health
Promotion



BOARD OF HEALTH MEETING AGENDA

Wednesday, May 1, 2024

9:30 to 11:30 a.m.

In-Person Meeting

1. CALL TO ORDER

2. LAND ACKNOWLEDGMENT (Chair O'Neill to speak full version)

Hastings Prince Edward Public Health is situated and provides services on the traditional territory of the Anishinaabe, Huron-Wendat and Haudenosaunee people.

3. DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF

4. APPROVAL OF THE AGENDA

5. APPROVAL OF THE MINUTES OF THE PREVIOUS BOARD MEETING

5.1 Meeting Minutes of Wednesday, March 6, 2024

[Schedule 5.1](#)

5.2 Meeting Minutes of Wednesday, March 27, 2024

[Schedule 5.2](#)

6. BUSINESS ARISING FROM THE MINUTES

6.1 The Real Cost of Eating Well

[Schedule 6.1](#)

7. DEPUTATIONS - None

8. COMMITTEE REPORTS

8.1 Voluntary Merger Committee Updates

[Schedule 8.1](#)

8.2 Finance – First Quarter Revenues & Expenses

[Schedule 8.2](#)

8.3 Finance – Summary of Annual Service Plan Submission

[Schedule 8.3](#)

8.4 Finance – Review of Audit Findings

[Schedule 8.4](#)

8.5 Finance – Review of Draft Audited Financial Statements

[Schedule 8.5](#)

9. REPORT OF THE MEDICAL OFFICER OF HEALTH

[Schedule 9.0](#)

10. STAFF REPORTS

10.1 Community Drug Strategy Update (Presentation)

[Schedule 10.1](#)

11. CORRESPONDENCE AND COMMUNICATIONS – None

12. NEW BUSINESS

13. INFORMATION ITEMS (Available for viewing online at hpePublicHealth.ca)

[Schedule 13.0](#)

14. DATE OF NEXT REGULAR MEETING – Wednesday, June 5, 2024 at 9:30 a.m.

15. ADJOURNMENT



BOARD OF HEALTH MEETING MINUTES

Wednesday, March 6, 2024

Hastings Prince Edward Public Health (HPEPH)

Present: Ms. Jan O'Neill, Mayor, Municipality of Marmora & Lake, County of Hastings, Chair
 Dr. Jeffrey Allin, Provincial Representative
 Ms. Kimberly Carson, Mayor, Limerick Township, Hastings County
 Dr. Craig Ervine, Provincial Representative
 Mr. Sean Kelly, Councillor, City of Belleville
 Mr. Michael Kotsovos, Councillor, City of Quinte West, Vice Chair
 Mr. David McCue, Councillor, City of Quinte West
 Mr. Garnet Thompson, Councillor, City of Belleville

Regrets: Mr. Phil St. Jean, Councillor, Prince Edward County
 Mr. Bill Roberts, Councillor, Prince Edward County

Also Present: Dr. Ethan Toumishey, Medical Officer of Health and CEO
 Mr. David Johnston, Director of Corporate Services
 Ms. Nancy McGeachy, Director of Clinical Programs
 Ms. Catherine Lovell, Executive Assistant

1. CALL TO ORDER

Dr. Toumishey called the meeting to order at 9:33 a.m.

2. LAND ACKNOWLEDGMENT - Spoken by Dr. Toumishey.

3. DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF

None

4. ELECTION OF THE CHAIR AND VICE CHAIR

Dr. Toumishey opened nominations for Chair of the Board. Jan O'Neill was nominated by three board members, when asked Mayor O'Neill said she would accept the nominations. There were no further nominations for Board Chair so nominations were closed and Mayor Jan O'Neill declared Board Chair.

Chair Elect, Mayor O'Neill then opened nominations for Vice Chair of the Board. Councillor Kotsovos was nominated by Chair O'Neill. Councillor Kotsovos agreed to stand for the nomination and there were no other nominations. Councillor Kotsovos was declared Vice Chair.

5. APPOINTMENT OF COMMITTEE MEMBERS AND CHAIRS

Chair O'Neill reminded members of the Board that all are encouraged to complete a two-year term per the Terms of Reference of each of the standing committees but noted that if anyone want to change that that would be considered.

There were no requests for changes and all were amenable to having the Chairs of those committees remain the same so no nominations or elections were required.

6. APPROVAL OF THE AGENDA

THAT the agenda for the Board of Health (Board) meeting on Wednesday, March 6, 2024 be approved as circulated.

MOTION:

Moved by: Sean

Seconded by: Craig

CARRIED

7. CLOSED SESSION (at 9:39 a.m.)

That the Board of Health convene in closed session for the purpose of a discussion as it relates to Section 239(2) of the Municipal Act, and more specifically (f) advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

MOTION:

Moved by: Kim

Seconded by: David

CARRIED

8. MOTIONS ARISING FROM CLOSED SESSION (at 9:53 a.m.)

THAT the Board endorse the actions approved in the Closed Session and direct staff to take appropriate action.

MOTION:

Moved by: Michael

Seconded by: Sean

CARRIED

9. APPROVAL OF MINUTES OF PREVIOUS BOARD MEETING – December 6, 2023

THAT the minutes of the regular meeting of the Board held on December 6, 2023 be approved as circulated.

MOTION:

Moved by: Sean

Seconded by: Kim

CARRIED

10. BUSINESS ARISING FROM MINUTES – None**11. DEPUTATIONS** – None**12. COMMITTEE REPORTS**12.1 Voluntary Merger Committee Update – **Sean Kelly**

Councillor Kelly gave a quick review of all the municipalities involved in this process and the resulting geographical area which will be quite huge. The population covered by the merged agency would consist of almost 600,000. Councillor Kelly stressed the point that transparency to staff, municipalities, and the community is very important as well as the continuation of services and hopefully more enhanced services within the community.

Dr. Toumishey noted that the group is very happy with the potential partners as approach the April 2 deadline for the submission of the feasibility study and the business case. The next Tri-Board Merger meeting is scheduled for Tuesday, March 19 in Kingston and will include members from the Ministry of Health. The appointment of Councillor Kotsovos to the Board Merger Committee was approved.

Chair O'Neill noted the fact that the needs of the small rural communities cannot be lost and that we need to enhance and provide better services to our vulnerable populations in those areas.

THAT the Board of Health appoint Michael Kostovos, Vice Chair to the Voluntary Merger Committee.

MOTION:

Moved by: David

Seconded by: Kim

CARRIED

THAT the Merger Committee report be received and approved as circulated and presented.

MOTION:

Moved by: Sean

Seconded by: Craig

CARRIED

13. REPORT OF THE MEDICAL OFFICER OF HEALTH

THAT the report of the Medical Officer of Health be received as presented.

MOTION

Moved by: Kim

Seconded by: Craig

CARRIED

- ♦ Dr. Toumishey reviewed the contents of the briefing note regarding the various updates.

- ♦ Dr. Toumishey explained that gaps in the past around the care of newborn babies has been covered by different programs that have tried to fill this gap but due to lack of funding, these programs go away only to be replaced by another temporary fix.
- ♦ Dr. Toumishey also noted that Public Health is also supporting the community who don't have primary care by implementing the Nurse-Family Partnership in collaboration with Kingston Public Health, there is the Healthy Babies Health Children program, and our immunization program. But the numbers are only getting bigger.
- ♦ There was discussion amongst the members.

14. STAFF REPORTS

14.1 Enforcement Report (July to December 2023)

There were questions and discussion around this report.

14.2 Municipal Liaison Program

- Julie O'Shea, Health Promoter presented on this topic. She highlighted the most recent campaign occurring right now in collaboration with the Quinte Region Traffic Coalition for Safe School Zones are life-sized student silhouettes in the school zones and at school crossings to enhance safety. The Coalition received further funding for this campaign and so were able to purchase more of these student silhouettes and thereby have them in more communities. This campaign will start in April.

14.3 The Real Cost of Eating Well

- Emily Tubbs, Program Manager introduced this topic noting that food insecurity is the inadequate or insecure access to food due to financial constraints. Those living in food insecure households are more likely to suffer from chronic physical and mental problems, more likely to experience infectious and non-communicable diseases, have greater needs for health care services and have higher rates of hospitalization.
- Ms. Tubbs highlighted the fact that in our region the prevalence of food insecurity is at 23%, higher than the provincial average by approximately 5.5%.
- It was asked of the Board of Health to approve an advocacy letter to Premier Doug Ford as circulated in the Agenda Package. After much discussion the Board of Health requested the letter be taken back to staff for revision and to include more region-specific requests of the province. Hence, there was no motion to approve the included letter.

THAT the staff reports be received as circulated and presented.

MOTION

Moved by: Garnet

Seconded by: Craig

CARRIED

15. CORRESPONDENCE AND COMMUNICATIONS – None

16. NEW BUSINESS

16.1 By-Law 2024-01 – Annual Borrowing By-Law

THAT the Board of Health approve By-Law 2024-01 for the borrowing of up to \$1 million.

MOTION

Moved by: Kim

Seconded by: Michael

CARRIED

16.2 2024 Health & Safety Policy Statement

16.3 2024 Workplace Violence, Harassment and Abuse Policy Statement

THAT the Board of Health approve the Health and Safety Policy Statement, and the Workplace Violence, Harassment and Abuse Policy Statement.

MOTION:

Moved by: David

Seconded by: Kim

CARRIED

At this point Councillor Kelly left the meeting (11:10 a.m.)

16.4 2023 Occupational Health & Safety Report

16.5 2023 Accessibility for Ontarians with Disabilities Act (AODA) Report

16.6 2023 Privacy Report

THAT the Board of Health approve the 2023 Occupational Health & Safety, AODA and Privacy Reports as circulated.

MOTION:

Moved by: Kim

Seconded by: David

CARRIED

16.7 The Bridge Hub

Councillor Thompson brought this project to Board members' attention and requested that the Board of Health send an advocacy letter to Premier Doug Ford with copies sent to MPPs Todd Smith and Ric Bresee, requesting the province's aid in helping to finance this project.

THAT the Board of Health direct staff to write the above-noted advocacy letter, to be brought back to the next Board meeting (March 27) for approval.

MOTION:

Moved by: Garnet

Seconded by: Sean

CARRIED

17. INFORMATION ITEMS

THAT the Board of Health receive the information items as circulated.

MOTION

Moved by: Kim

Seconded by: Craig

CARRIED

Chair O'Neill drew the Board's attention to the information items listed within the agenda and found on the [Public Health website](#).

18. DATE OF NEXT MEETING – Wednesday, May 1, 2024 at 9:30 a.m.

19 SPECIAL MEETING – Wednesday, March 27, 2024 at 11:00 a.m. (in person)

The Board Chair brought the date of the special meeting to everyone's attention and that attendance is very important.

20. ADJOURNMENT

THAT this meeting of the Board be adjourned at 11:12 a.m.

MOTION:

Moved by: Melanie

Seconded by: Garnet

CARRIED

Jan O'Neill, Board Chair
Hastings Prince Edward Board of Health



BOARD OF HEALTH MEETING MINUTES

Wednesday, March 27, 2024

Hastings Prince Edward Public Health (HPEPH)

Present: Ms. Jan O'Neill, Mayor, Municipality of Marmora & Lake, County of Hastings, Chair
 Dr. Jeffrey Allin, Provincial Representative
 Ms. Kimberly Carson, Mayor, Limerick Township, Hastings County
 Mr. Sean Kelly, Councillor, City of Belleville
 Mr. Michael Kotsovos, Councillor, City of Quinte West, Vice Chair
 Ms. Melanie Paradis, Provincial Representative
 Mr. Bill Roberts, Councillor, Prince Edward County
 Mr. Phil St. Jean, Councillor, Prince Edward County
 Mr. Garnet Thompson, Councillor, City of Belleville

Regrets: Dr. Craig Ervine, Provincial Representative
 Mr. David McCue, Councillor, City of Quinte West

Also Present: Dr. Ethan Toumishey, Medical Officer of Health and CEO
 Mr. David Johnston, Director of Corporate Services
 Ms. Nancy McGeachy, Director of Clinical Programs
 Ms. Catherine Lovell, Executive Assistant

1. CALL TO ORDER

Chair O'Neill called the meeting to order at 11:04 a.m.

2. **LAND ACKNOWLEDGMENT** - Spoken by Chair O'Neill.

3. DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF

None

4. APPROVAL OF THE AGENDA

THAT the agenda for the Board of Health (Board) meeting on Wednesday, March 27, 2024 be approved as circulated.

MOTION:

Moved by: Sean
 Seconded by: Garnet
 CARRIED

5. CLOSED SESSION (at 11:06 a.m.)

That the Board of Health convene in closed session for the purpose of a discussion as it relates to Section 239(2) of the Municipal Act, and more specifically (k) a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

MOTION:

Moved by: Bill
Seconded by: Melanie
CARRIED

6. MOTIONS ARISING FROM CLOSED SESSION (at 12:35 a.m.)

THAT the Board endorse the actions approved in the Closed Session and direct staff to take appropriate action.

MOTION:

Moved by: Bill
Seconded by: Kim
CARRIED

7. NEW BUSINESS

7.1 FUNDING FOR THE BRIDGE HUB CORRESPONDENCE

THAT the Board of Health approve the issuance of the letter to Premier Ford regarding the Bridge Hub as circulated.

MOTION

Moved by: Garnet
Seconded by: Sean
CARRIED

Councillor Thompson thanked the Board for supporting the issuance of this letter.

7.2 OVERVIEW OF THE FEASIBILITY STUDY

THAT the Board of Health approve receipt of the Feasibility Study overview between the three health units contained therein as circulated.

MOTION:

Moved by: Kim
Seconded by: Bill
CARRIED

7.3 OVERVIEW OF BUSINESS CASE

THAT the Board of Health approve receipt of the Business Case overview regarding the submission to the Ministry of Health.

MOTION:

Moved by: Phil

Seconded by: Bill

CARRIED

Chair O'Neill mentioned that the three board committees will continue to meet in the interim of receiving a response from the Ministry with the goal of being as prepared as possible when word comes back. The Chair also thanked staff for all their work in getting the required documents ready for the submission.

7.4 INTENT TO MERGE

THAT Hastings Prince Edward Public Health (HPE) intends to merge with Kingston, Frontenac Lennox and Addington Public Health (KFLA) and Leeds, Grenville and Lanark District Health Unit (LGL) to create the South East Health Unit with the associated conditions as set out below; AND

THAT the HPE Medical Officer of Health and CEO be directed to further collaborate with KFLA and LGL to complete a Voluntary Merger Business Case for submission to the Ministry of Health no later than April 2, 2024; AND

THAT the HPE Merger Committee continue its cross-board engagement with KFLA and LGL, and report back regularly to the Board of Health on this matter at future meetings to enable subsequent Board of Health engagement and direction as the Board of Health may deem appropriate.

Said proposed merger is subject to the following conditions.

- The Provincial Government approves the intended merger and the Board of Health of HPE in its sole discretion is satisfied that this approval will enable LGL, KFLA, and HPE to successfully complete the intended merger.
- The Provincial Government commits to provide funding requested in the Voluntary Merger Business Case to support the intended merger, including transition costs and business continuity/stabilization funding in amounts sufficient to ensure program and service delivery stability while change is underway and the Board of Health in its sole discretion is satisfied that this funding commitment will enable LGL, KFLA, and HPE to successfully complete the intended merger.
- The negotiation, due diligence, consultations, and merger implementation (including development of a sustainable operational budget) up until a legal merger do not identify any material issue that the Board of Health in its sole discretion determines will undermine its assessment of the benefits and drawbacks of the intended merger with KFLA and LGL such that the Board of Health no longer supports the intent to merge.
- The KFLA and LGL Boards of Health both express their respective intent to merge with HPE.

Following completion of the above-noted conditions, the Board of Health will meet for a full report, deliberation, and decision-making regarding whether to proceed with the intended merger.

MOTION:

Moved by: Sean
Seconded by: Kim
CARRIED

8. DATE OF NEXT MEETING – Wednesday, May 1, 2024 at 9:30 a.m.

9. ADJOURNMENT

THAT this meeting of the Board be adjourned at 1:02 pm

MOTION:

Moved by: Phil
Seconded by: Kim
CARRIED

Jan O'Neill, Board Chair
Hastings Prince Edward Board of Health

Board of Health Briefing Note

To:	Hastings Prince Edward Board of Health
Prepared by:	Emily Tubbs, Communications Specialist
Approved by:	Veronica Montgomery, Manager FDSC & Healthy Communities
Date:	Wednesday, May 1, 2024
Subject:	The Real Cost of Eating Well
Nature of Board Engagement:	<input type="checkbox"/> For Information <input type="checkbox"/> Strategic Discussion <input checked="" type="checkbox"/> Board approval and motion required <input type="checkbox"/> Compliance with Accountability Framework <input checked="" type="checkbox"/> Compliance with Program Standards
Action Required:	<p>Approval of following motion and attached letter.</p> <p>MOTION:</p> <p>That the Board of Health endorse the Association of Local Public Health Agencies (aLPHa) resolution #A23-05 Monitoring Food Affordability in Ontario and Inadequacy of Social Assistance Rates.</p> <p>THAT the Board of Health advocate for income-based policy solutions to reduce household food insecurity such as increasing minimum wage and social assistance rates; and affordable housing initiatives.</p>
Background:	<p>In March 2024, the Board of Health received a presentation and accompanying report, <i>The Real Cost of Eating Well in Hastings and Prince Edward Counties, 2023</i>, which provided an overview of the 2023 Nutritious Food Basket food costing results and reinforced the prevalence of food insecurity in our region – being that nearly 1 in 4 households in Hastings and Prince Edward Counties is food insecure.</p> <p>At that time, a draft letter was presented for approval, advocating to Premier Ford for income-based policy solutions to reduce household food insecurity. The Board of Health requested that the letter be reviewed to consider solutions specific to our region. The attached revised letter includes information regarding local rates of minimum wage earners and ODSP recipients in Hastings and Prince Edward Counties, demonstrating the potential impact of income-based solutions to address food insecurity in our region.</p> <p>Policy decisions for income-based solutions rest at the provincial and federal levels. Hunger is a direct consequence of food insecurity. Solutions that address hunger can be implemented at the individual and municipal level, however these solutions do not address the underlying cause of food insecurity, that being inadequate income to purchase nutritious foods, and are therefore only temporary solutions.</p> <p>The attached letter calls upon the province to address food insecurity through policy solutions accessible at the provincial level, namely further increasing minimum wage to reflect the real cost of eating well, increasing social assistance rates, and increasing availability of and access to affordable housing. The revised letter also calls upon the province to support funding applications for community programs and initiatives that are working to address food insecurity.</p>
Reviewed By:	Dr. Ethan Toumishey, Medical Officer of Health and CEO

May 1, 2024

Honourable Doug Ford
Premier of Ontario
Legislative Building, Queen's Park
Toronto, ON M7A 1A1

Sent via email: doug.fordco@pc.ola.org

Dear Premier Ford,

Re: Addressing Household Food Insecurity in Ontario

The catchment area of Hastings Prince Edward Public Health (HPEPH) has substantially higher levels of household food insecurity compared to the rest of the province. Estimates from the Canadian Income Survey reveal that 23 per cent of households in Hastings and Prince Edward Counties (HPEC) are experiencing food insecurity.¹ This is higher than the estimate of 17.4 per cent for Ontario.¹ When comparing the two-year combined average (2021-2022), HPEC ranks second highest in the prevalence of household food insecurity among all 34 Ontario Public Health Units.¹

Food insecurity is defined as the inadequate or insecure access to food *due to financial constraints*.² Food insecurity is not an issue of accessibility or availability, but instead is tightly linked to income. This reinforces the need for sufficient social and income supports to address this public health issue. While this issue is notably higher than the provincial average in our region, the prevalence across the province is not acceptable as food is a basic human right. Policy decisions for income-based solutions rest at the provincial and federal levels. Hunger is a direct consequence of food insecurity. Solutions that address hunger but do not address the underlying cause of food insecurity, that being financial constraints, are only temporary stop gap solutions.

On March 6, 2024, the Hastings Prince Edward Board of Health (Board) reviewed HPEPH's report, *The Real Cost of Eating Well in Hastings Prince Edward, 2023 (RCEW Report)* which reinforced the severity of food insecurity in HPEC.⁵ The report includes recommendations for local residents, municipal governments/partners, and provincial/federal governments. In response, the Board is asking provincial leaders to support income-based policy solutions to address and reduce food insecurity. Through staff recommendations and in alignment with [recommendations](#) made by the Ontario Dietitians of Public Health, the Board identified the top actions that can be taken at the provincial level to be:³

- increasing social assistance rates,
- increasing minimum wage,

.../2

North Hastings

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- investing in affordable housing in Hastings and Prince Edward Counties to increase access and availability, and
- supporting funding applications for community programs and initiatives that are working to address food insecurity and the consequences of food insecurity.

Provincial action is required to address the root cause of this situation with long term solutions and improve the quality of life of the most vulnerable residents of HPEC. The Board respectfully requests that elected officials take action to:

- **Increase minimum wage to reflect the high cost of living, and ensure it is feasible to cover basic expenses such as food and rent.** The Ontario Living Wage Network reported a living wage of \$20.60 for HPEC.⁴ This results in a \$4.05 gap between the current legislated minimum wage and a living wage for residents of HPEC. The RCEW report shows that in HPEC, a family of four with one full-time minimum wage earner is estimated to spend 66 per cent of their income on food and rent, with only the remaining 34 per cent (\$1,433) available to cover expenses such as clothing, medications, utilities, transportation and childcare.⁵ In HPEC, 11.5% of the population lives in low income, after tax, compared to the provincial average of 10.1%.⁷ Increasing minimum wage will directly improve food security for residents of HPEC.
- **Increase social assistance rates of Ontario Works and the ODSP to reflect the high cost of living,** as outlined in the recent endorsement of The Association of Local Public Health Agencies resolution, [#A23-05 Monitoring Food Affordability in Ontario and Inadequacy of Social Assistance Rates](#). The RCEW report states that currently, an adult on the Ontario Disability Support Program (ODSP) in HPEC would require 153 per cent of this income to cover only the basic expenses of rent and food, at a minimum.⁵ In HPEC, recent data shows that approximately 8% of residents received ODSP, compared to 3% of the provincial population. Increasing rates of ODSP will have a proportionate effect on improving food security in the region.⁷⁻⁹
- **Invest in improvements to availability and access to affordable housing in Hastings and Prince Edward Counties,** as high percentages of income are being used to cover housing expenses leaving little left for food and other expenses. According to the CMHC, housing is considered affordable if it costs less than 30 per cent of a household's before-tax income.⁶ Estimates from the RCEW report reveal that in HPEC, percentages of income required for housing costs range from 30-106 per cent.⁵ Household food insecurity can result in poor mental and physical health outcomes, requiring higher healthcare expenditures for individuals and families in Ontario.² This will ultimately result in increased longer term demands and expenses on the healthcare and social service systems and reduced quality of life for Ontarians.

The Hastings Prince Edward Board of Health is calling upon provincial leaders to effectively reduce the prevalence of household food insecurity through income-based policies such as increasing social assistance rates, increasing minimum wage, and increasing access to affordable housing for individuals and families in Ontario.

Thank you for considering our recommendations.

Sincerely,

Janet C. O'Neill, Board Chair
Hastings Prince Edward Board of Health

cc: Hon. Paul Calandra, Minister of Municipal Affairs and Housing, Paul.Calandra@pc.ola.org
Hon. Sylvia Jones, Minister of Health, Sylvia.Jones@pc.ola.org
Hon. Michael Parsa, Minister of Children, Community and Social Services, Michael.Parsaco@pc.ola.org
Hon. Dave Piccini, Minister of Labour, Immigration, Training and Skills Development,
David.Piccini@pc.ola.org
Hon. Todd Smith, MPP Bay of Quinte, todd.smithco@pc.ola.org
Hon. Ric Bresee, MPP Hastings-Lennox and Addington, ric.bresee@pc.ola.org

References

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9. Serwotka, L. (Social Assistance Programs, Ministry of Children, Community and Social Services, Belleville, ON). Email to: Emily Tubbs (Hastings Prince Edward Public Health, Belleville, ON). 2024 Mar 22.

Board of Health Briefing Note

To:	Hastings Prince Edward Board of Health
Prepared by:	Councillor Sean Kelly, City of Belleville, Voluntary Merger Committee
Approved by:	Dr. Ethan Toumishey, Medical Officer of Health and CEO
Date:	Wednesday, May 1, 2024
Subject:	Merger Committee Update
Nature of Board Engagement	<input checked="" type="checkbox"/> For Information <input type="checkbox"/> Strategic Discussion <input type="checkbox"/> Board approval and motion required <input type="checkbox"/> Compliance with Accountability Framework <input type="checkbox"/> Compliance with Program Standards
Action Required:	No action required
April 12, 2024 Meeting Update	<ol style="list-style-type: none"> 1. The Tri-Board Merger committee met on April 12, 2024 2. Minutes of the open session are attached. 3. The discussion was focused on potential next steps with regards to the merger assuming favourable dialogue with the province following business case submission on April 2, 2024. <ol style="list-style-type: none"> a. The initial mandate to explore feasibility and submit business case with all boards of health endorsing the intent to merge has been completed. b. The initial mandate was primarily focused on recommendations for the three boards with regards to merger feasibility. c. Next phase would be primarily focused on the continuity of governance oversight of the merger implementation, including but not limited to a series of recommendations to the new board to facilitate transition on January 2, 2025. d. With legal assistance, the group will develop a draft Memorandum of Understanding (MOU) between the three boards to establish a formal transition framework and a renewed mandate for the group. e. New terms of reference will follow the MOU. 4. Ongoing communication needs were discussed and the group will continue to work with Red Brick Communications.

DRAFT

**TRI-BOARD MERGER COMMITTEE
MINUTES
(OPEN SESSION)**

Friday, April 12, 2024**KFL&A Public Health****10:00 (Boardroom)**

In Attendance: Councillor Michael Kotsovos (Virtual); Wess Garrod, Dr. Piotr Oglaza, Dr. Linna Li, Councillor Sean Kelly, Councillor Nathan Townend, Mayor Jan O'Neill, Dr. Ethan Toumishey, Mayor Robin Jones, Councillor Judy Greenwood-Speers, Councillor Bill Roberts, Councillor Peter McKenna, Tanya Mundell (recorder), Alexandra Mazur.

Absent: Dr. Jeffrey Allin, Councillor Jeff McLaren

1. Call to Order (Chair, Wess Garrod)

Chair W. Garrod called the meeting to order.

2. Territorial Acknowledgement

Chair W. Garrod read KFL&A Public Health's territorial acknowledgement.

3. Conflict of Interest

No conflicts of interest were declared in the open meeting.

4. Approval of Open Agenda

It was **MOVED** by Councillor B. Roberts and **SECONDED** by Councillor S. Kelly **THAT** the Tri-Board Merger Committee approve the open agenda for the meeting of April 12, 2024.

CARRIED

5. Approval of the Open Minutes of the Tri-Board Merger Committee meeting held March 19, 2024

It was **MOVED** by Mayor J. O'Neill and **SECONDED** by Councillor J. Greenwood-Speers **THAT** the Tri-Board Merger Committee approve the open agenda for the meeting of April 12, 2024.

CARRIED

6. Closed Session

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; (f) advice that is subject to solicitor-client privilege, including communications necessary for that purpose; (h) information explicitly supplied in confidence to the municipality or local board by Canada, a province or territory or a Crown agency of any of them.

It was MOVED by Mayor J. O'Neill and SECONDED by Councillor J. Greenwood-Speers THAT the Tri-Board Merger Committee move In-Camera.

CARRIED

--Lunch 12:00 to 12:30--

7. Motions arising from closed session

It was MOVED by Mayor J. O'Neill and SECONDED by Councillor J. Greenwood-Speers THAT staff be directed to carry out decisions made in the Closed Session.

CARRIED

8. Communications support for the Tri Board

It was discussed that Red Brick contract has reached the solo source maximum allowed by LGL's internal policy without an RFP. If approved by all three agencies, to avoid delays the contract will be carried by HPEPH or KFL&A PH.

9. Date of Next Meeting

The next meeting for the South East Transitional Board will be held in on Thursday, May 9th, 2024 at 10:00am at Hastings Prince Edward County Health Unit.

10. Adjournment

It was MOVED by Mayor J. O'Neill and SECONDED by Councillor N. Townend THAT the Tri-Board Merger Committee meeting of April 12, 2024 be adjourned.

CARRIED

Board of Health Briefing Note

To:	Hastings Prince Edward Board of Health
Prepared by:	David Johnston, Director of Corporate Services
Reviewed by:	Dr. Ethan Toumishey, Medical Officer of Health and CEO
Date:	Wednesday, May 1, 2024
Subject:	2024 First Quarter Revenue and Expenses
Nature of Board Engagement	<input checked="" type="checkbox"/> For Information <input type="checkbox"/> Strategic Discussion <input type="checkbox"/> Board approval and motion required <input type="checkbox"/> Compliance with Accountability Framework <input type="checkbox"/> Compliance with Program Standards
Action Required:	Review of first quarter revenues and expenses and receive for information purposes only.
Notes regarding Revenues & Expenses	<p>The following notes are provided to assist in the review of the attached Summary of Revenues and Expenses for the period of January to March 2024.</p> <ul style="list-style-type: none"> • Within the Accountability Agreement reporting, we have separated costs to provide information related to ongoing Mandatory Programs and the Ontario Seniors Dental Care Program. • The Ontario Seniors Dental Care Program has a small balance left as of March 31. Demand for service is extremely high. Over 357 clients have been seen in our Belleville office since January, in addition to clients seen by our partner agencies. A base increase for this program has been requested. • On March 28, 2024 HPEPH received notification of funding to support Respiratory Syncytial Virus (\$25k) and COVID-19: Vaccine Program Enhancement (\$5k) since this funding expired March 31, 2024. • Healthy Babies Healthy Children (Ministry of Children, Community and Social Services, MCCSS) and Federal Grants balance to zero as this represents an April to March fiscal year. All funds have been spent and a new funding year began April 1.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Summary of Revenues & Expenses for the period January 1 - March 31, 2024

For Board of Health Review on May 1, 2024

	Ministry of Health Accountability Agreement			Other Grants and Contracts			Totals and Budget Analysis			
	Mandatory Programs	100% Seniors Dental Program	TOTAL Ministry of Health Programs	Ministry of Health Annual and One-Time Grants	MCCSS HBHC (April-March)	Federal Grants (April-March)	YEAR TO DATE TOTAL	ANNUAL BUDGET	YTD Budget Variance	YTD Actuals as % of budget (3/12 = 25%)
REVENUES										
Ministry of Health Mandatory and 100% Programs	2,347,441	326,794	2,674,235				2,674,235	12,211,900	9,537,665	22%
Ministry of Health Annual and one time grants			0	165,595			165,595	108,000	(57,595)	153%
Municipal Levies	892,300		892,300				892,300	3,798,300	2,906,000	23%
Ministry of Children, Community & Social Services			0		401,890		401,890	1,160,543	758,653	35%
Federal Grants			0			9,966	9,966	39,000	29,034	26%
Expenditure Recoveries	49,105	1,747	50,851				50,851	150,500	99,649	34%
Transfer from Reserves			0				0	459,000	459,000	
Total Revenues	3,288,846	328,541	3,617,386	165,595	401,890	9,966	4,194,838	17,927,243	13,732,405	23%
EXPENSES										
Salaries and Wages	1,973,536	82,775	2,056,311	129,351	222,224	6,949	2,414,835	10,791,743	8,376,908	22%
Staff Benefits	582,410	24,496	606,905	27,549	67,397	1,690	703,542	3,113,000	2,409,458	23%
Staff Training	13,832	315	14,147		4,600		18,747	174,000	155,253	11%
Travel Expenses	21,363	6,454	27,817	3,098	7,434	153	38,502	166,000	127,499	23%
Building Occupancy	242,625	13,128	255,753		40,000		295,753	1,032,000	736,247	29%
Office Expenses, Printing, Postage	19,992		19,992		2,015		22,007	65,000	42,993	34%
Materials, Supplies	62,513	10,135	72,648	7,148	6,842	1,174	87,813	361,000	273,187	24%
Professional & Purchased Services	183,397	165,476	348,872	76,557	4,500		429,930	1,265,000	835,070	34%
Communications Costs	19,034		19,034		10,000		29,034	121,500	92,466	24%
Information Technology	211,003	11,638	222,641		36,877		259,518	578,000	318,482	45%
Capital Expenditures			0				0	0	0	
Transfer to Capital/Operating Reserves	65,000		65,000				65,000	260,000	195,000	25%
Total Expenses	3,394,704	314,417	3,709,121	243,703	401,890	9,966	4,364,680	17,927,243	13,562,563	24%
VARIANCE	(105,858)	14,124	(91,735)	(78,108)	0	0	(169,842)	0	(169,842)	

Board of Health Briefing Note

To:	Hastings Prince Edward Board of Health
Prepared by:	David Johnston, Director of Corporate Services
Approved by:	Dr. Ethan Toumishey, Medical Officer of Health and CEO
Date:	Wednesday, May 1, 2024
Subject:	Summary of Annual Service Plan Submission
Nature of Board Engagement	<input checked="" type="checkbox"/> For Information <input type="checkbox"/> Strategic Discussion <input type="checkbox"/> Board approval and motion required <input checked="" type="checkbox"/> Compliance with Accountability Framework <input type="checkbox"/> Compliance with Program Standards
Action Required:	Review the Annual Service Plan Summary
Background:	<p>The Annual Service Plan (ASP) document supports the Public Health accountability framework by describing the complete picture of programs and services being delivered by boards of health and within the context of the Ontario Public Health Standards. It helps demonstrate that board of health programs and services align with the priorities of their communities. The ASP also demonstrates accountability for planning and use of funding per program and service.</p> <p>The ASP provides the following content:</p> <ul style="list-style-type: none"> • Community assessment, including local population health issues and priority populations. • Program plans, including summary details on community needs/priorities, key partners/stakeholders, programs/services that boards of health plan to deliver under each Standard, and public health interventions within each program. • Budget submission for each program. • One-time funding requests. • Board of health membership, apportionment of costs, and certification. <p>Key Finance Committee Information:</p> <ul style="list-style-type: none"> • Mandatory base funding requested, per approved budget: \$10,614,900 • Ontario Seniors Dental Care Program (OSDCP): Requested additional \$289,800 to the approved \$1,307,200 program base funding to help support significant program demand. • There were no opportunities to request “One-time” funding to support programs. <p>ASP was submitted to the Ministry on April 2, 2024.</p>



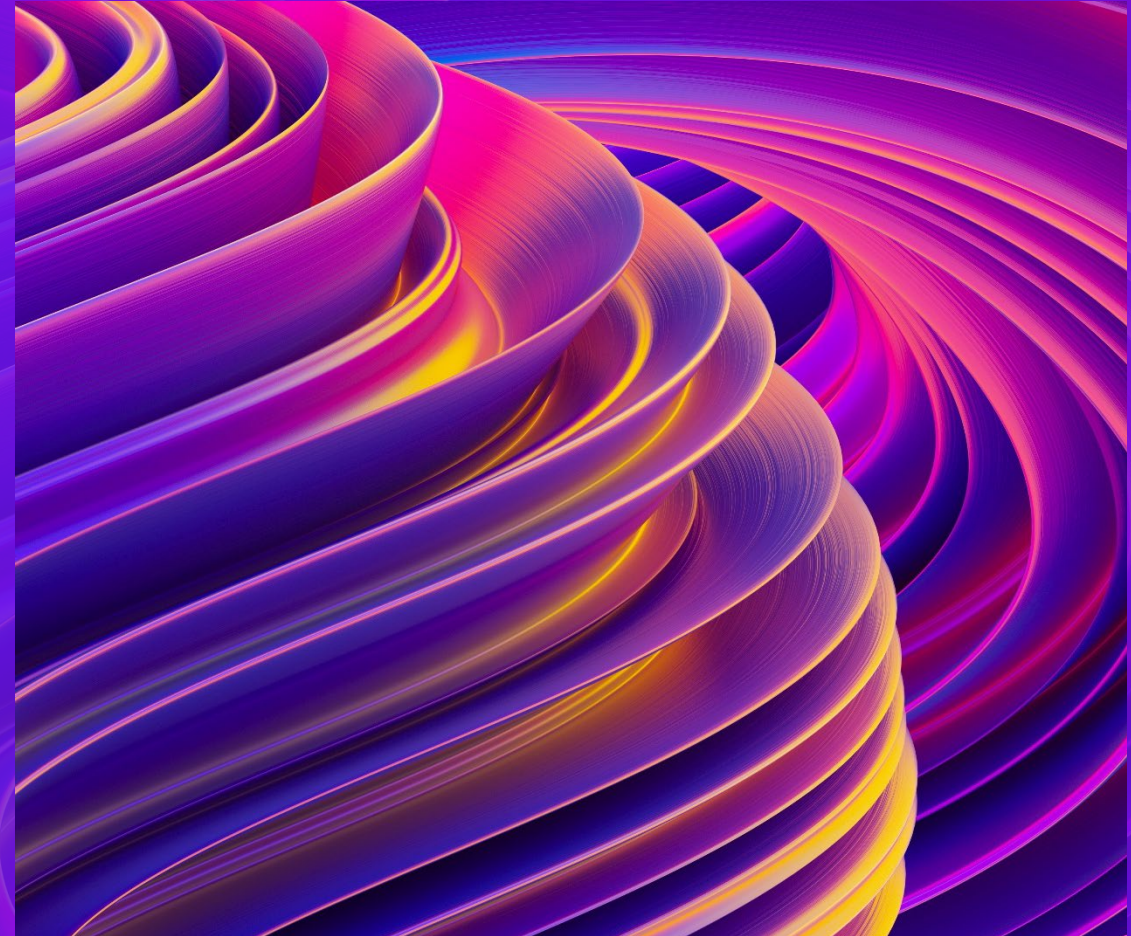
Hastings Prince Edward Public Health

Audit Findings Report
for the year ended
December 31, 2023



Prepared as of April 12, 2024 for presentation to the Finance
Committee on April 24, 2024

kpmg.ca/audit



KPMG contacts

Key contacts in connection with this engagement



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Anoop Sebastian Michael

Audit Senior Manager

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Table of contents

Digital use information

This Audit Findings Report is also available as a “hyper-linked” PDF document.

If you are reading in electronic form (e.g. In “Adobe Reader” or “Board Books”), clicking on the home symbol on the top right corner will bring you back to this slide.



Click on any item in the table of contents to navigate to that section.

4	Highlights	5	Status	6	Materiality	8	Risks and results
9	Control deficiencies	12	Policies and practices	14	Specific topics	15	Independence
16	Appendices						

The purpose of this report is to assist you, as a member of the Finance Committee, in your review of the results of our audit of the financial statements. This report is intended solely for the information and use of Management and the Finance Committee and should not be used for any other purpose or any other party. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.



Audit highlights

Schedule 8.4

Status

We have completed the audit of the financial statements ("financial statements") of Hastings Prince Edward Public Health for the year ended December 31, 2023, with the exception of certain remaining outstanding procedures, which are highlighted on the 'Status' slide of this report.




Significant changes



Significant changes to our audit plan

- No changes to risk assessment
- No changes to audit strategy assessment

Risks and results

Significant risks 

- We identified a significant financial reporting risk related to the presumed risk of management override of controls.



Other risks of material misstatement

- No matters to report.


Policies and practices & Specific topics



Significant unusual transactions



Accounting policies and practices

Other financial reporting matters 

Going concern matters



No matters to report



Matters to report – see link for details

Materiality

Current year

\$425,000

Benchmark

Expenses

% Benchmark

2.45%

Audit Misstatement Posting Threshold

\$21,250

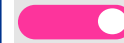
Uncorrected misstatements



Uncorrected misstatements

- We have not identified any adjustments which remain uncorrected.

Corrected misstatements




Corrected misstatements

- The management representation letter, a copy of which is included in [Appendix 1b: Management representation letter](#), includes all misstatements identified as a result of the audit, communicated to management, and subsequently corrected in the audited financial statements.

Control deficiencies



Significant deficiencies

Other observations 



Status

Schedule 8.4

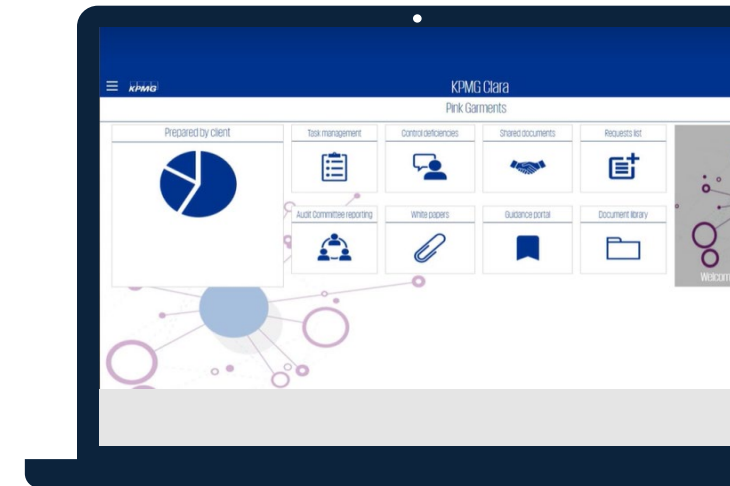
KPMG Clara for Clients (KCfc)

As of April 17, 2024 in preparation of our Audit Findings Report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Completing our discussions with the Finance Committee;
- Completion of our subsequent events review procedures up to the date of our auditor's report;
- Obtaining evidence of the Board's approval of the financial statements; and
- Receipt of signed management representation letter.

We will update the Board, and not solely the Chair, on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures.

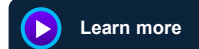
A draft of our auditor's report is provided in [Appendix 1a: Draft Auditor's Report](#).



Real-time collaboration and transparency

We leveraged **KCfc** to facilitate real-time collaboration with management and provide visual insights into the status of the audit!

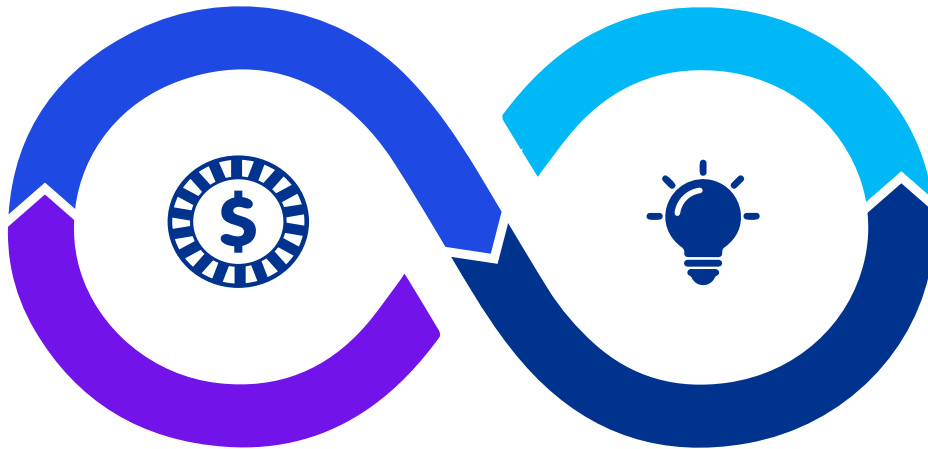
On our audit we used KCfc to coordinate requests from management.





Materiality

Schedule 8.4



We **initially determine materiality** at a level at which we consider that misstatements could reasonably be expected to influence the economic decisions of users. Determining materiality is a matter of **professional judgement**, considering both quantitative and qualitative factors, and is affected by our perception of the common financial information needs of users of the financial statements as a group. We do not consider the possible effect of misstatements on specific individual users, whose needs may vary widely.

We **reassess materiality** throughout the audit and revise materiality if we become aware of information that would have caused us to determine a different materiality level initially.

Plan and perform the audit

We **initially determine materiality** to provide a basis for:

- Determining the nature, timing and extent of risk assessment procedures;
- Identifying and assessing the risks of material misstatement; and
- Determining the nature, timing, and extent of further audit procedures.

We design our procedures to detect misstatements at a level less than materiality in individual accounts and disclosures, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Evaluate the effect of misstatements

We also **use materiality** to evaluate the effect of:

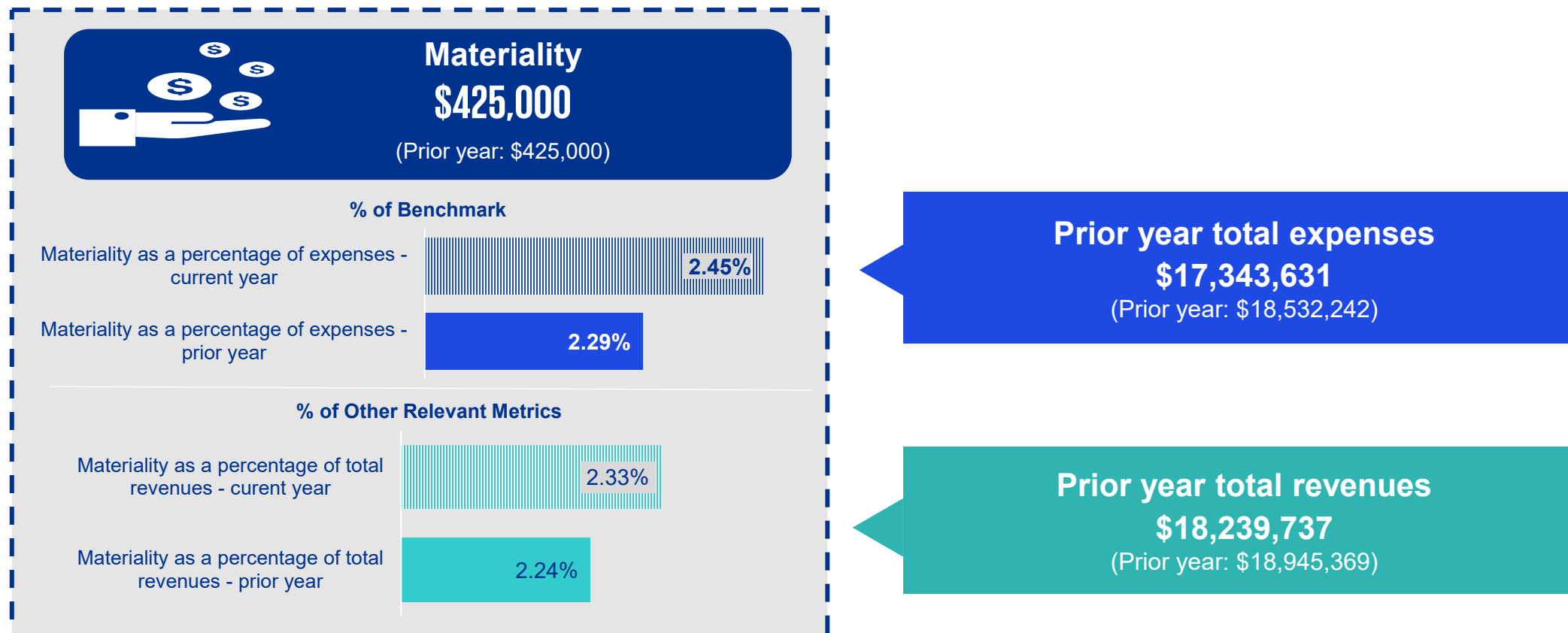
- Identified misstatements on our audit; and
- Uncorrected misstatements, if any, on the financial statements and in forming our opinion.



Materiality (continued)

Schedule 8.4

Materiality has been set using the prior year audited financial statements. Performance materiality has been set at 75% of materiality or \$318,750. Our assessment of misstatements, if any, in amounts or disclosures at the completion of our audit will include the consideration of both qualitative and quantitative factors.



Professional standards require us to re-assess materiality at the completion of our audit based on period-end results or new information in order to confirm whether the amount determined for planning purposes remains appropriate. Current year expenses increased to \$17,385,057, therefore materiality represents 2.44% of the current year expenses. This falls within the acceptable range of our required benchmark of between 0.5% - 3.0%. No changes to materiality were required.



Significant risks and results

Schedule 8.4

We highlight our significant findings in respect of **significant risk**.



Management Override of Controls

RISK OF

FRAUD

Significant risk	Estimate?	Key audit matter?
Management is in a unique position to perpetrate fraud because of its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Although the level of risk of management override of controls will vary from entity to entity, the risk nevertheless is present in all entities.	No	No

Our response

- Our procedures included:
 - We tested the design and implementation of controls surrounding the review of journal entries, and the business rationale for significant entries.
 - Using our KPMG Clara Journal Entry Analysis Tool, we analyzed 100% of the journal entries posted during the year.
 - In responding to risks of fraud and management override of controls, we set specific criteria to isolate high risk journal entries and adjustments in order to analyze for further insights into our audit procedures and findings. We focused on journal entries recorded and posted as part of the financial reporting process.
- We have not identified any specific additional risks of management override relating to this audit.
- There were no significant changes to management's process for making the critical accounting estimates and there were no indicators of possible management bias.
- No issues were noted.



Control deficiencies

Schedule 8.4

Consideration of internal control over financial reporting (ICFR)

In planning and performing our audit, we considered ICFR relevant to the Entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on ICFR.

Our understanding of internal control over financial reporting was for the limited purpose described above and was not designed to identify all control deficiencies that might be significant deficiencies. The matters being reported are limited to those deficiencies that we have identified during the audit that we have concluded are of sufficient importance to merit being reported to those charged with governance.

Our awareness of control deficiencies varies with each audit and is influenced by the nature, timing, and extent of audit procedures performed, as well as other factors. Had we performed more extensive procedures on internal control over financial reporting, we might have identified more significant deficiencies to be reported or concluded that some of the reported significant deficiencies need not, in fact, have been reported.

A deficiency in internal control over financial reporting

A deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

Significant deficiencies in internal control over financial reporting

A deficiency, or a combination of deficiencies, in internal control over financial reporting that, in our judgment, is important enough to merit the attention of those charged with governance. **We have not identified a significant deficiency in internal control over financial reporting. We have identified other observations related to processes in place at the Health Unit – see page 8.**



Control deficiencies (continued)

Schedule 8.4



Prior year observations

We have included our follow-up to the other observations identified in the prior year.



Differences between sub-ledgers and general ledger

Prior year observation:

During our review of the year-end bank reconciliation, we noted there were minimal differences between the report and what was recorded in the general ledger. We recommended that adjustments be made to ensure these balances agree.

Current year update:

As part of our testing over bank balances in the current year, we obtained and reviewed the bank reconciliations and noted the same observation as in the prior year when comparing to the general ledger. We will continue to monitor this matter in fiscal 2024.



Indirect tax policies

Prior year observation and recommendation:

During our review of the indirect tax policy questionnaire, we noted that there was no formal process in place to review and/or identify difference ITC rates and claims. KPMG recommended developing a robust HST identification process.

Recommendation:

On review of the questionnaire in the current year, KPMG notes that the above observation still remains applicable. KPMG will continue to monitor this matter in fiscal 2024.



Control deficiencies (continued)

Schedule 8.4



Prior year observations

We have included our follow-up to the other observations identified in the prior year.



Financial Sustainability

Prior year observation and recommendation:

KPMG notes that as of December 31, 2022, the Organization is in a net financial liability position of \$1,871,207, whereby the Organization's liabilities exceed its assets. KPMG also notes that, similar to other Public Health Boards, the Organization has received mitigation funding during the year to support costs. We understand this mitigation funding is not expected to continue beyond 2023 and is to be discontinued in 2024.

Recommendation:

KPMG notes that as of December 31, 2023, the Organization is in a net financial liability position of \$1,009,664, whereby the Organization's liabilities exceed its assets. KPMG also notes that, similar to other Public Health Boards, the Organization has received mitigation funding during the year to support costs.

Further, the Health Unit is currently in discussion regarding a voluntary merger with other Health Units such as Kingston, Frontenac, and Lennox & Addington Public Health ("KFL&APH") and Leeds, Grenville and Lanark District Health ("LGLDH") to create a new South East Health Unit effective in 2025. This is subject to the approval of the Ministry of Health.

On the basis of the above, KPMG notes that the observation still remains applicable. KPMG will continue to monitor this matter in fiscal 2024.



Accounting policies and practices

Schedule 8.4



Initial selection

The following new significant accounting policies and practices were selected and applied during the period.

- The Corporation adopted Public Accounting Standard PS 3280 – Asset Retirement Obligations on January 1, 2023 and applied this transition on the modified retroactive basis. The impact of the implementation of this standard had no impact on the financial statements, however, the disclosures related to the adoption of this standard have been detailed in the notes to the financial statements.
- PS 1201 Financial Statement Presentation establishes general reporting principles and standards for the disclosure of information in government financial statements.
- PS 2601 Foreign Currency Translation establishes monetary assets and liabilities denominated in a foreign currency and non-monetary items denoted in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date.
- PS 3041 Portfolio Investments establishes guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 Financial Instruments.
- PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. As a result of the adoption of the accounting standard, this has resulted in the recognition of an interest rate swap liability and accumulated remeasurement losses amounting to \$89,721 for the year ended December 31, 2023.



Revised

No matters to report.



Significant qualitative aspects







Significant accounting policies or practices are disclosed in note 1 to the financial statements.
No matters to report.



Other financial reporting matters

Schedule 8.4

We also highlight the following:

 <p>Financial statement presentation - form, arrangement, and content</p>	 <p>No matters to report</p>
 <p>Concerns regarding application of new accounting pronouncements</p>	 <p>See Appendix 3: Future accounting standards for Public Sector Accounting Standards Board current projects and exposure drafts.</p>
 <p>Significant qualitative aspects of financial statement presentation and disclosure</p>	 <p>No matters to report.</p>



Specific topics

Schedule 8.4

We have highlighted the following that we would like to bring to your attention:

Matter	Finding
Illegal acts, including noncompliance with laws and regulations, or fraud	No matters to report
Other information in documents containing the audited financial statements	No matters to report
Significant difficulties encountered during the audit	No matters to report
Difficult or contentious matters for which the auditor consulted	No matters to report.
Management's consultation with other accountants	No matters to report
Disagreements with management	No matters to report
Related parties	No matters to report
Significant issues in connection with our appointment or retention	No matters to report
Other matters that are relevant matters of governance interest	No matters to report



Independence

Schedule 8.4

As a firm, we are committed to being and being seen to be independent. We have strict rules and protocols to maintain our independence that meet or exceed those of the IESBA Code¹ and CPA Code. The following are the actions or safeguards applied to reduce or eliminate threats to an acceptable level:



Dedicated ethics & independence partners



Process for reporting breaches of professional standards and policy, and documented disciplinary policy



Ethics, independence and integrity training for all staff



International proprietary system used to evaluate and document threats to independence and those arising from conflicts of interest



Operating policies, procedures and guidance contained in our quality & risk management manual



Mandated procedures for evaluating independence of prospective audit clients



Restricted investments and relationships



Annual ethics and independence confirmation for staff

Statement of compliance

We confirm that, as of the date of this communication, **we are independent** of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada.



¹ International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)

Appendices

Schedule 8.4

1

Required communications

2

Audit quality

3

Upcoming changes to accounting standards

4

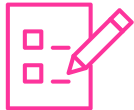
Insights





Appendix 1: Other required communications

Schedule 8.4



Engagement terms

A copy of the engagement letter and any subsequent amendments has been provided to management.



CPAB communication protocol

The reports available through the following links were published by the Canadian Public Accountability Board to inform the Finance Committee and other stakeholders about the results of quality inspections conducted over the past year:

- [CPAB Audit Quality Insights Report: 2021 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2022 Interim Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2022 Annual Inspections Results](#)
- [CPAB Audit Quality Insights Report: 2023 Interim Inspections Results](#)



Appendix 1a: Draft auditor's report

Schedule 8.4

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Hastings Prince Edward Public Health

Opinion

We have audited the financial statements of Hastings Prince Edward Public Health (the Entity), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial liabilities for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2023, its results of operations, its cash flows and its remeasurement gains and losses for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Appendix 1a: Draft auditor's report (continued)

Schedule 8.4

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



Appendix 1a: Draft auditor's report (continued)

Schedule 8.4

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

(date)



Appendix 1b: Management representation letter

Schedule 8.4

KPMG LLP
Chartered Professional Accountants
863 Princess Street, Suite 400
Kingston, Ontario K7L 5N4
Canada

May 1, 2024

We are writing at your request to confirm our understanding that your review was for the purpose of expressing an opinion on the financial statements (hereinafter referred to as "financial statements") of Hastings Prince Edward Public Health ("the Entity") as at and for the period ended December 31, 2023.

General:

We confirm that the representations we make in this letter are in accordance with the definitions as set out in [Attachment I](#) to this letter.

We also confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Responsibilities:

- 1) We have fulfilled our responsibilities, as set out in the terms of the engagement letter dated January 4, 2024, including for:
 - a) the preparation and fair presentation of the financial statements and believe that these financial statements have been prepared and present fairly in accordance with the relevant financial reporting framework.
 - b) providing you with all information of which we are aware that is relevant to the preparation of the financial statements ("relevant information"), such as financial records, [documentation](#) and other matters, including:
 - the names of all related parties and information regarding all relationships and transactions with related [parties](#);
 - the complete minutes of meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of board of directors and committees of the board of directors that may affect the financial statements. All significant actions are included in such summaries.
 - c) providing you with unrestricted access to such relevant information.
 - d) providing you with complete responses to all enquiries made by you during the engagement.
 - e) providing you with additional information that you may request from us for the purpose of the engagement.
 - f) providing you with unrestricted access to persons within the Entity from whom you determined it necessary to obtain audit evidence.
 - g) such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We also acknowledge and understand that we are responsible for the design, [implementation](#) and maintenance of internal control to prevent and detect fraud.
 - h) ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements.

Internal control over financial reporting:

- 2) We have communicated to you all deficiencies in the design and implementation or maintenance of internal control over financial reporting of which we are aware.

Fraud & non-compliance with laws and regulations:

- 3) We have disclosed to you:
 - a) the results of our assessment of the risk that the financial statements may be materially misstated [as a result of fraud](#).
 - b) all information in relation to fraud or suspected fraud that we are aware of that involves:
 - [management](#);
 - employees who have significant roles in internal control over financial reporting; or
 - others
 where such fraud or suspected fraud could have a material effect on the financial statements.
 - c) all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements, communicated by employees, former employees, analysts, regulators, or others.
 - d) all known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements, whose effects should be considered when preparing financial statements.
 - e) all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Subsequent events:

- 4) All events [subsequent](#) to the date of the financial statements and for which the relevant financial reporting framework requires adjustment or disclosure in the financial statements have been adjusted or disclosed.

Related parties:

- 5) We have disclosed to you the identity of the Entity's related parties.
- 6) We have disclosed to you all the related party relationships and transactions/balances of which we are aware.
- 7) All related party relationships and transactions/balances have been appropriately accounted for and disclosed in accordance with the relevant financial reporting framework.

Estimates:

- 8) The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Misstatements:

- 9) We approve the corrected misstatements identified by you during the audit described in [Attachment II](#).

Going concern:

- 10) We have provided you with all information relevant to the use of the going concern assumption in the financial statements.



Appendix 1b: Management representation letter(continued)

Schedule 8.4

- 11) We confirm that we are not aware of material uncertainties related to events or conditions that may cast significant doubt upon the Entity's ability to continue as a going concern.

Non-SEC registrants or non-reporting issuers:

- 12) We confirm that the Entity is not a Canadian reporting issuer (as defined under any applicable Canadian securities act) and is not a United States Securities and Exchange Commission ("SEC") Issuer (as defined by the Sarbanes-Oxley Act of 2002).
- 13) We also confirm that the financial statements of the Entity will not be included in the group financial statements of a Canadian reporting issuer audited by KPMG or an SEC Issuer audited by any member of the KPMG organization.

Yours very truly,

HASTINGS PRINCE EDWARD PUBLIC HEALTH

By: Mr. David Johnston, Director of Corporate Services

By: Ms. Amy Rankin, Finance Manager, Corporate Services

Attachment I – Definitions

Materiality

Certain representations in this letter are described as being limited to matters that are material.

Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances, and are affected by perception of the needs of, or the characteristics of, the users of the financial statements and, the size or nature of a misstatement, or a combination of both while also considering the entity's own circumstances.

Fraud & error

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorization.

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.



Appendix 1b: Management representation letter(continued)

Attachment II – Summary of Audit Misstatements

Schedule 8.4

Summary of corrected audit misstatement

Description	Statement of Financial Position effect ¹			Statement of Operations effect ¹
	Assets\$	Liabilities\$	Net Assets \$	\$
Audit misstatements greater than \$21,250 individually				
Dr. Remeasurement gains/(losses) on swaps	-	-	89,721	-
Cr. Interest rate swaps	-	(89,721)	-	-
To record the derivatives (interest rate swaps) at FMV on adoption of PS3450 as at December 31, 2023				
Total corrected audit misstatements	-	(89,721)	89,721	-

¹ Debit (Credit)



Appendix 2: Audit quality - How do we deliver audit quality?

Schedule 8.4

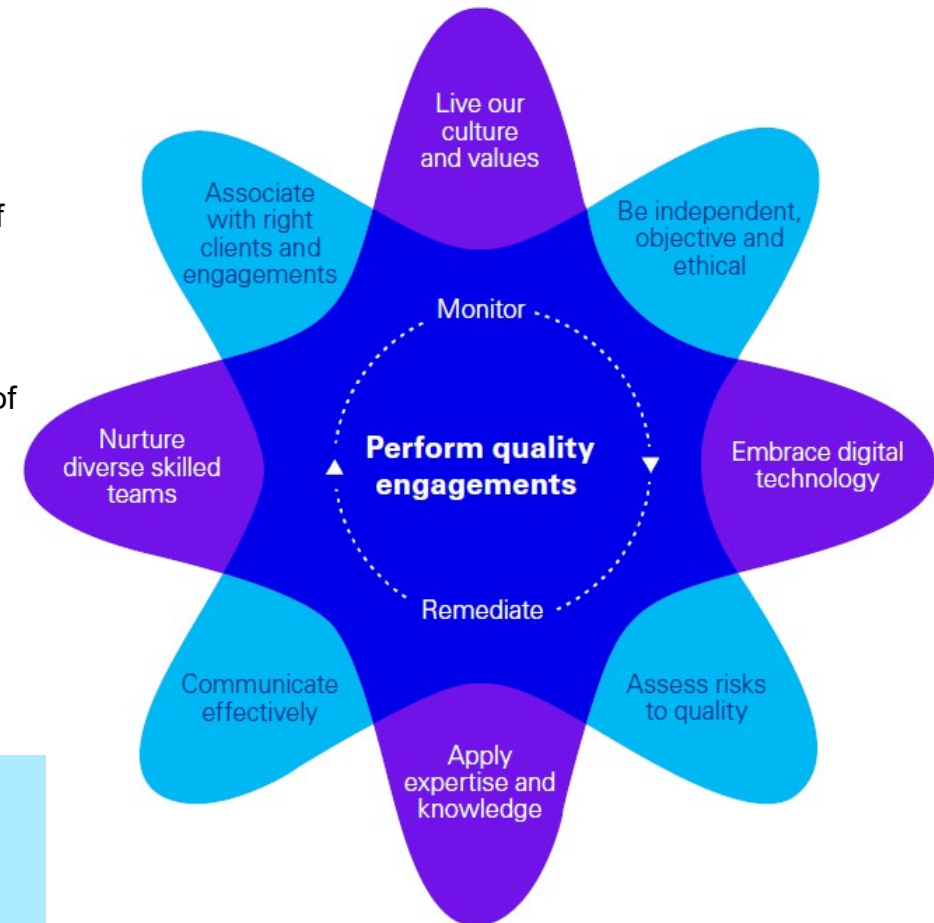
Quality essentially means doing the right thing and remains our highest priority. Our Global Quality Framework outlines how we deliver quality and how every partner and staff member contributes to its delivery.

The drivers outlined in the framework are the ten components of the KPMG System of Quality Management (SoQM). Aligned with ISQM 1/CSQM 1, our SoQM components also meet the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting in Canada, which apply to professional services firms that perform audits of financial statements. Our Transparency Report includes our firm's Statement on the Effectiveness of our SoQM.

 [KPMG 2023 Audit Quality and Transparency Report](#)

We define 'audit quality' as being the outcome when:

- audits are **executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality management**; and
- all of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics and integrity**.



Doing the right thing. Always.



Appendix 2: Audit quality - Indicators (AQIs)

Schedule 8.4

The objective of these measures is to provide the Finance Committee and management with more in-depth information about factors that influence audit quality within an audit process. Below you will find the current status of the AQIs that are relevant for the audit.

Audit team composition

- Experience, commitment and knowledge of the broader public sector
- A combination of continuity and fresh perspectives
- Access to specialist resources with public sector experience

Technology in the audit

- Increase in use of technology in the audit year over year
- Use of secure KPMG portal for transfer of electronic documents

Independence

- We will not put ourselves in a situation where we would audit our own work.
- We apply the most rigorous standards to our professional services in order to ensure our continued independence in our role.

Client preparedness

- Key financial records and working papers were made available to the audit team on the first day of audit. However, the audit was completed in tranches with entries being posted during the week of the audit fieldwork resulting in additional time being spent on updating the file to reflect the adjustments.
- KPMG also supported management in the adjustments required to reflect the adoption of PS3450 Financial Instruments standard.

Board of Directors and members

- Finance Committee and members participate fully in the discussion with auditors, including meeting in camera with the auditors
- KPMG provides current industry trends and updates to accounting and audit standards.



Nothing to report



Some matters to report



Specific matters to report



Appendix 3: Upcoming changes to accounting standards

Schedule 8.4

Accounting changes



Newly effective accounting standards



The amendments to PS 3400, *Revenue*, become effective for this year end (fiscal years beginning on or after April 1, 2023).

- The standard establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement.
- The standard notes that in the case of revenues arising from an exchange transaction, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations.
- The standard notes that unilateral revenue arises when no performance obligations are present, and recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.



Newly effective accounting standards



PS 3160, *Public Private Partnerships ("P3s")* becomes effective for this year end (fiscal years beginning on or after April 1, 2023).

- This standard includes new requirements for the recognition, measurement and classification of infrastructure procured through a public private partnership. The standard may be applied retroactively or prospectively.
- The standard notes that recognition of infrastructure by the public sector entity would occur when it controls the purpose and use of the infrastructure, when it controls access and the price, if any, charged for use, and it controls any significant interest accumulated in the infrastructure when the P3 ends.
- The public sector entity recognizes a liability when it needs to pay cash or non-cash consideration to the private sector partner for the infrastructure.



Newly effective accounting standards



PSG-8, *Purchased Intangibles*, becomes effective for this year end (fiscal years beginning on or after April 1, 2023).

- The guideline allows public sector entities to recognize intangibles purchased through an exchange transaction. The definition of an asset, the general recognition criteria and GAAP hierarchy are used to account for purchased intangibles.
- Narrow scope amendments were made to PS 1000 Financial statement concepts to remove the prohibition to recognize purchased intangibles and to PS 1201 Financial statement presentation to remove the requirement to disclose purchased intangibles not recognized.
- The guideline can be applied retroactively or prospectively.



Appendix 4: Audit and assurance insights

Schedule 8.4

Our latest thinking on the issues that matter most to Audit Committees, Finance Committee and management.

KPMG Audit & Assurance Insights

Curated research and insights for audit committees and boards.

Board Leadership Centre

Leading insights to help board members maximize boardroom opportunities

Current Developments

Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Securities & Auditing Matters and US Outlook reports.

Audit Committee Guide – Canadian Edition

A practical guide providing insight into current challenges and leading practices shaping audit committee effectiveness in Canada.

Accelerate 2024

The key issues driving the audit committee agenda in 2024.

Momentum

A quarterly newsletter with the latest thought-leadership from KPMG's subject matter leaders across Canada and valuable audit resources for clients.

KPMG Climate Change Financial Reporting Resource Centre

Our climate change resource center provides insights to help you identify the potential financial statement impacts to your business.

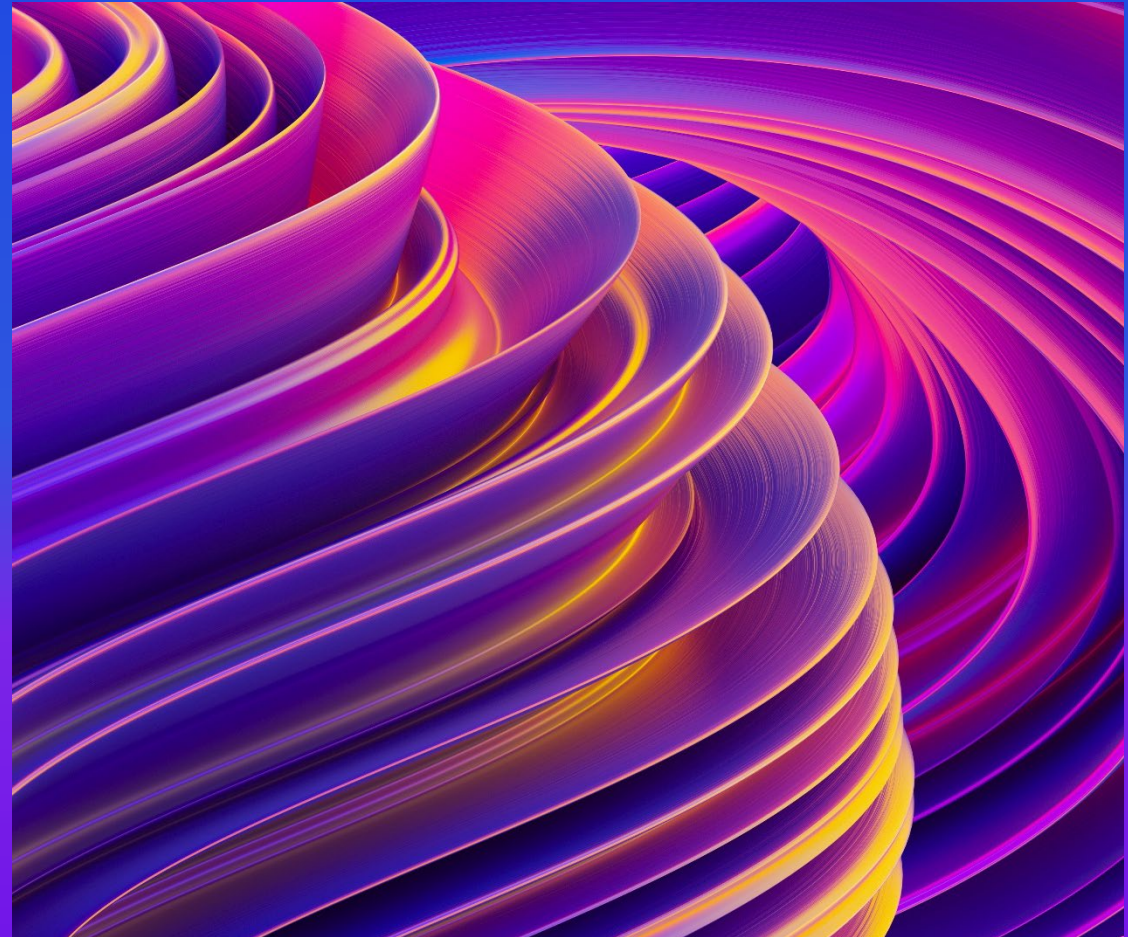
IFRS Breaking News

A monthly Canadian newsletter that provides the latest insights on international financial reporting standards and IASB activities.



<https://kpmg.com/ca/en/home.html>

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Financial Statements of

**HASTINGS PRINCE EDWARD
PUBLIC HEALTH**

Year ended December 31, 2023

DRAFT

HASTINGS PRINCE EDWARD PUBLIC HEALTH

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Hastings Prince Edward Public Health

Opinion

We have audited the financial statements of Hastings Prince Edward Public Health (the Entity), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial liabilities for the year then ended
- the statement of remeasurement gains and losses for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2023, its results of operations, its cash flows and its remeasurement gains and losses for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Kingston, Canada

(date)

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Statement of Financial Position

As at December 31, 2023, with comparative information for 2022

	2023	2022
Financial assets:		
Cash	\$ 4,734,873	\$ 2,639,417
Investments (note 3)	2,630,098	4,103,683
Accounts receivable	283,932	491,968
Due from Province of Ontario	465,969	49,962
	<u>8,114,872</u>	<u>7,285,030</u>
Financial liabilities:		
Accounts payable and accrued liabilities (note 5)	1,785,469	1,061,604
Due to Province of Ontario	716,189	951,778
Deferred revenue	282,385	623,219
Interest rate swaps (note 11)	89,721	–
Mortgage payable (note 10)	6,250,772	6,519,636
	<u>9,124,536</u>	<u>9,156,237</u>
Net financial liabilities	(1,009,664)	(1,871,207)
Non-financial assets:		
Tangible capital assets (note 14)	10,206,048	10,107,874
Prepaid expenses	226,086	244,522
	<u>10,432,134</u>	<u>10,352,396</u>
Commitments (note 6)		
Economic dependence (note 7)		
	<u>\$ 9,422,470</u>	<u>\$ 8,481,189</u>
Accumulated surplus is comprised of:		
Accumulated surplus (note 13)	\$ 9,512,191	\$ 8,481,189
Accumulated remeasurement losses	(89,721)	–
	<u>\$ 9,422,470</u>	<u>\$ 8,481,189</u>

See accompanying notes to financial statements.

On behalf of the Board:

_____ Member

_____ Member

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Statement of Operations and Accumulated Surplus

Year ended December 31, 2023, with comparative information for 2022

	2023 Budget (note 12)	2023 Actual	2022 Actual
Revenue:			
Provincial funding (note 7)	\$ 13,813,994	\$ 14,298,314	\$ 14,315,918
Municipal levies (note 7)	3,630,108	3,630,108	3,491,385
Federal funding	128,988	40,550	174,161
Interest earned (note 3)	20,000	346,605	152,357
Expense recoveries (note 9)	102,700	76,414	81,581
Other revenue	–	24,068	24,335
	17,695,790	18,416,059	18,239,737
Expenses:			
Salaries	10,686,790	10,418,302	11,051,850
Benefits (note 4)	3,014,000	2,970,631	2,895,111
Staff training	202,000	119,265	155,248
Travel	178,000	158,465	115,481
Building occupancy (note 10)	1,312,000	820,942	799,687
Office and administration	774,000	835,854	555,250
Program supplies	437,000	443,659	436,022
Professional and purchased services	1,092,000	1,124,302	922,990
Amortization	–	493,637	411,992
	17,695,790	17,385,057	17,343,631
Annual surplus	–	1,031,002	896,106
Accumulated surplus, beginning of year	8,481,189	8,481,189	7,585,083
Accumulated surplus, end of year	\$ 8,481,189	\$ 9,512,191	\$ 8,481,189

See accompanying notes to financial statements.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Statement of Changes in Net Financial Liabilities

Year ended December 31, 2023, with comparative information for 2022

	2023 Budget (note 12)	2023 Actual	2022 Actual
Annual surplus	\$ –	\$ 1,031,002	\$ 896,106
Acquisition of tangible capital assets	–	(591,811)	(248,109)
Amortization of tangible capital assets	–	493,637	411,992
Change in prepaid expenses	–	18,436	(157,362)
Change in interest rate swap	–	(89,721)	–
Net decrease in financial liabilities	–	861,543	902,627
Net financial liabilities at beginning of year	–	(1,871,207)	(2,773,834)
Net financial liabilities at end of year	\$ –	\$ (1,009,664)	\$ (1,871,207)

See accompanying notes to financial statements.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Statement of Remeasurement Gains and Losses

Year ended December 31, 2023, with comparative information for 2022

	2023		2022
Accumulated remeasurement gains, beginning of year (note 2(a))	\$ 81,104	\$	–
Net unrealized losses attributable to:			
Derivatives – interest rate swaps (note 11)	(170,825)		–
Net remeasurement losses for the year	(170,825)		–
Accumulated remeasurement losses, end of year	\$ (89,721)	\$	–

See accompanying notes to financial statements.

DRAFT

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 1,031,002	\$ 896,106
Amortization, which does not involve cash	493,637	411,992
Change in non-cash assets and liabilities:		
Accounts receivable	208,036	(288,873)
Due from Province of Ontario	(416,007)	(14,898)
Accounts payable and accrued liabilities	723,865	(77,606)
Due to Province of Ontario	(235,589)	509,157
Deferred revenue	(340,834)	(45,173)
Prepaid expenses	18,436	(157,362)
	<u>1,482,546</u>	<u>1,233,343</u>
Capital activities:		
Purchase of tangible capital assets	(591,811)	(248,109)
Financing activities:		
Principal repayments on mortgage payable	(268,864)	(258,055)
Investing activities:		
Redemption (purchase) of investments	1,473,585	(4,103,683)
Increase (decrease) in cash	2,095,456	(3,376,504)
Cash, beginning of year	2,639,417	6,015,921
Cash, end of year	<u>\$ 4,734,873</u>	<u>\$ 2,639,417</u>

See accompanying notes to financial statements.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements

Year ended December 31, 2023

Hastings Prince Edward Public Health (the "Health Unit") is governed by the Ontario Board of Public Health as mandated by the Health Protection and Promotion Act for the purposes of promoting and protecting public health.

1. Significant accounting policies:

The financial statements of the Health Unit are the representation of management prepared in accordance with accounting policies prescribed by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada for local governments and their boards. Significant aspects of the accounting policies adopted by the Health Unit are as follows:

(a) Basis of accounting:

The basis of accounting followed in the financial statement presentation includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period the goods and services are acquired and a liability is incurred or transfers are due.

Provincial funding received from the Ministry of Health and the Ministry of Children, Community & Social Services (collectively the "Ministries") are subject to annual final reviews and approval by the Ministries. Any adjustments resulting from the review will be reflected in the year of Ministry approvals as an adjustment to provincial funding revenue on the Statement of Operations and Accumulated Surplus.

(b) Deferred revenue:

Deferred revenue represents special program grants which have been received but for which related program costs have yet to be incurred. These amounts will be recognized as revenue in the fiscal year that the program costs are incurred.

(c) Government transfers:

Government transfers received relate to health programs. Transfers are recognized in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized and eligibility criteria have been met and reasonable estimates of the amounts can be made.

(d) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(e) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Building and site improvements	40 years
Communication systems	5 years
Office equipment	5 years
Computer equipment	5 years
Signage	5 years
Motor vehicles	5 years
Leasehold improvements	remaining term of lease

Assets under construction are not amortized until the asset is available for productive use.

When conditions indicate that a tangible capital asset no longer contributes to the Health Unit's ability to provide services or the value of the future economic benefits associated with the tangible capital asset are less than its net book value, and the decline is expected to be permanent, the cost and accumulated amortization of the asset are reduced to reflect the revised estimate of the value of the asset's remaining service potential.

The resulting net adjustment would be reported as an expense on the Statement of Operations and Accumulated Surplus.

(f) Pension benefits:

The Health Unit accounts for its participation in the Ontario Municipal Employees Retirement System ("OMERS"), a multi-employer public sector pension fund, as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by employees based on length of service and pay rates.

(g) Investments:

Investments are recorded at cost plus accrued interest and amortization of purchase premiums and discounts. If the market value of investments becomes lower than cost and this decline in value is considered to be other than temporary, the investments are written down to the market value.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

1. Significant accounting policies (continued):

(h) Financial instruments:

The Financial instruments are recorded at fair value on initial recognition. Derivative instruments that are quoted in an active market are recorded at fair value.

All other financial instruments including investments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. Management has not elected to subsequently record financial instruments at fair value.

Unrealized changes in fair value are recognized in the Statement of Remeasurement Gains and Losses until they are realized when they are transferred to the Statement of Operations and Accumulated Surplus.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the Statement of Operations and Accumulated Surplus and any unrealized gain is adjusted through the Statement of Remeasurement Gains and Losses.

When the asset is sold, the unrealized gain and losses previously recognized in the Statement of Remeasurement Gains and Losses are reversed and recognized in the Statement of Operations and Accumulated Surplus.

Long-term debt is recorded at amortized cost. Interest rate swaps are recorded at fair value.

The Public Sector Accounting Standards require an organization to clarify fair value measurements using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

Level 1 – Unadjusted quoted market prices in active markets for identical assets or liabilities;

Level 2 – Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

(i) Use of estimates:

The preparation of financial statements in conformity with Canadian public sector accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

2. Change in accounting policy - adoption of new accounting standards:

- (a) The Health Unit adopted the following standards concurrently beginning January 1, 2023 prospectively: PS 1201 *Financial Statement Presentation*, PS 2601 *Foreign Currency Translation*, PS 3041 *Portfolio Investments*, and PS 3450 *Financial Instruments*.
- (i) PS 1201 *Financial Statement Presentation* replaces PS 1200 *Financial Statement Presentation*. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in PS 2601 *Foreign Currency Translation*, PS 3450 *Financial Instruments*, and PS 3041 *Portfolio Investments*, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.
- (ii) PS 2601 *Foreign Currency Translation* replaces PS 2600 *Foreign Currency Translation*. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denoted in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses.
- (iii) PS 3041 *Portfolio Investments* replaces PS 3040 *Portfolio Investments*. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to PS 3450 *Financial Instruments*. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 *Temporary Investments* no longer applies.
- (iv) PS 3450 *Financial Instruments* establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses.

A summary of the impact during the year is as follows:

Interest rate swap liability	\$	89,721
Accumulated remeasurement losses		(89,721)

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

2. Change in accounting policy - adoption of new accounting standards (continued):

(b) On January 1, 2023, the Health Unit adopted Public Accounting Standard PS 3280 - Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in buildings owned by public sector entities.

The adoption of this standard did not result in an accounting policy change for the Health Unit, and did not result in any adjustments to the financial statements as at January 1, 2023.

3. Investments:

The guaranteed investment certificates yields interest of 5.8% and matures on July 2024.

All investments are level 2 investments. There were no transfers between level 1, 2 and 3.

	2023	2022
Guaranteed investment certificates	\$ 2,630,098	\$ 4,103,683

Interest earned consists of:

	2023	2022
Investment income	\$ 195,680	\$ 86,510
Bank interest	150,925	65,847
	\$ 346,605	\$ 152,357

4. Pension agreement:

The Health Unit makes contributions to the Ontario Municipal Employees Retirement Fund ("OMERS"), a multi-employer plan. The plan is a contributory defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

OMERS is a multi-employer plan, therefore, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Health Unit does not recognize any share of the OMERS pension surplus or deficit. The last available report for the OMERS plan was December 31, 2023. At that time, the plan reported a \$4.2 billion actuarial deficit (2022 - \$6.7 billion actuarial deficit).

The amount contributed to OMERS for current services in 2023 was \$979,566 (2022 - \$963,319) and is included as an expense within benefits on the Statement of Operations and Accumulated Surplus.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

5. Liability for vested sick leave benefits:

Under the previous sick leave benefit plan, unused sick leave could be accumulated, and employees could become entitled to a cash payment when they leave the Health Unit's employment.

In 1988, the Health Unit introduced an employee benefit package which includes short and long term disability insurance. As part of the package, the accumulated sick leave days were frozen at the levels existing at the date of implementation of the plan.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amount to \$5,078 (2022 - \$4,931) and are included in accounts payable and accrued liabilities on the Statement of Financial Position.

6. Commitments:

The Health Unit leases office accommodation in Picton, Trenton and Bancroft and also leases office equipment. The future minimum lease payments are as follows:

2024	\$	75,500
2025		6,495
2026		6,495
2027		6,495
2028		541
	\$	95,526

7. Economic dependence:

The majority of the revenue of the Health Unit is provided by the Province of Ontario and by four funding municipalities. The Province of Ontario funds 78% (2022 - 78%) of mandated public health programs while the Counties of Hastings and Prince Edward and the Cities of Belleville and Quinte West combine to fund the remaining 22% (2022 - 22%). In fiscal 2023, the Province of Ontario provided mitigation funding in the amount of \$1,120,000 (2022 - \$1,120,000) to reduce the impact of the 2019 funding change. Mitigation funding will be reinvested to base funding in fiscal 2024.

The Health Unit is currently in discussion regarding a voluntary merger with other Health Units such as Kingston, Frontenac, and Lennox & Addington Public Health ("KFL&APH") and Leeds, Grenville and Lanark District Health ("LGLDH") to create a new South East Health Unit effective in 2025. This is subject to the approval of the Ministry of Health.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

8. Reserves:

The Health Unit has established reserves as follows:

The capital reserve is restricted to building replacement, expansion, renovations or major repairs.

	2023	2022
Capital reserve, beginning of year	\$ 2,584,239	\$ 2,261,622
Transfer from operation – schedule 1	394,470	322,617
Capital reserve, end of year	2,978,709	2,584,239
HBHC reserve	45,859	45,859
Total reserves	\$ 3,024,568	\$ 2,630,098

The Health Babies Healthy Children (“HBHC”) reserve is restricted to fund future costs of the program in excess of provincial funding. There were no changes to the HBHC reserve during the year.

9. Expense recoveries:

Expense recoveries consist of:

	2023	2022
Provincial reimbursement of clinic costs	\$ 50,296	\$ 62,499
Program recoveries	14,937	11,667
Seniors dental	10,100	3,620
Nicotine replacement clinics	791	670
Other	290	3,095
Sexual health clinics	–	30
	\$ 76,414	\$ 81,581

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

10. Mortgage payable:

Mortgage payable consists of the following:

	2023	2022
Bankers acceptance, interest at Canadian Imperial Bank of Commerce BA rate at time of renewal plus 0.48% per annum acceptance fee. Interest is fixed with an interest rate swap agreement at 4.11%. Interest paid in advance at time of renewal with an adjustment at next monthly renewal to swapped rate. Principal is reduced each monthly renewal based on a blended monthly payment of principal and interest of \$44,316. Remaining balances due January 2040.	\$ 6,250,772	\$ 6,519,636

The mortgage is secured by a general security agreement creating a first ranking security interest in all personal property of the Health Unit and a first mortgage over the property located at 179 North Park Street, Belleville, Ontario.

Interest expense of \$262,930 (2022 - \$273,738) is included in building occupancy on the Statement of Operations and Accumulated Surplus.

Future principal repayments are estimated to be as follows:

2024	\$ 280,125
2025	291,857
2026	304,081
2027	316,817
2028	330,086
Thereafter	4,727,806
	<u>\$ 6,250,772</u>

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

11. Interest rate swap agreement:

The Health Unit is party to interest rate swap contracts to manage interest rate exposures for economic hedging and risk management purposes.

The interest rate swap contracts convert the floating rate interest obligations of the loan into fixed rate obligations and thus manage the Health Unit's exposure to interest rate risk. The loan with the interest rate swap and the fixed rates payable are disclosed in note 10. The maturity date of the interest rate swap is the same as the maturity date of the associated long-term debt which is 2040. The fair value of the interest rate swaps will vary based on prevailing market interest rates and the remaining term to maturity. The change in fair value of the interest rate swaps was an unrealized loss of \$170,825 (2022 – unrealized gain of \$81,104) for the year ended December 31, 2023.

The interest rate swap is a level 3 financial instrument and is measured at fair value using a valuation technique, taking into account market interest rates. The fair value of interest rate swaps is based on broker quotes.

12. Budget:

The Board of Health approved the budget for 2023 with a municipal levy of \$3,630,108 on November 2, 2022. During the year, the Health Unit entered into additional program agreements or amendments to program agreements. The budgets of these program changes are not reflected in the budget amounts presented.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

13. Accumulated surplus:

Accumulated surplus consists of:

	2023	2022
Tangible capital assets	\$ 10,206,048	\$ 10,107,874
Mortgage payable	(6,250,772)	(6,519,636)
	3,955,276	3,588,238
Reserves (note 8)	3,024,568	2,630,098
Unrestricted surplus	2,532,347	2,262,853
	\$ 9,512,191	\$ 8,481,189
	2023	2022
Unrestricted surplus, beginning of year	\$ 2,262,853	\$ 1,783,536
Annual surplus	1,031,002	896,106
	3,293,855	2,679,642
Change - tangible capital assets	(98,174)	163,883
Principal repayments in year	(268,864)	(258,055)
Transfer to capital reserve	(394,470)	(322,617)
Unrestricted surplus, end of year	\$ 2,532,347	\$ 2,262,853

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

14. Tangible capital assets:

Cost	Balance at December 31, 2022	Transfers and additions	Transfers, disposals and adjustments	Balance at December 31, 2023
Land	\$ 81,814	\$ –	\$ –	\$ 81,814
Buildings and site improvements	11,831,896	–	–	11,831,896
Leasehold improvements	197,010	–	–	197,010
Communications systems	93,585	–	–	93,585
Office equipment	600,896	11,274	–	612,170
Computer equipment	819,234	13,897	(253,760)	579,371
Signage	20,942	–	–	20,942
Motor vehicles	–	566,640	105,686	672,326
Assets under construction	105,686	–	(105,686)	–
Total	\$ 13,751,063	\$ 591,811	\$ (253,760)	\$ 14,089,114

Accumulated amortization	Balance at December 31, 2022	Amortization expense	Transfers, disposals and adjustments	Balance at December 31, 2023
Buildings and site improvements	\$ 2,200,508	\$ 295,081	\$ –	\$ 2,495,589
Leasehold improvements	197,010	–	–	197,010
Communications systems	93,585	–	–	93,585
Office equipment	504,162	44,649	–	548,811
Computer equipment	626,982	86,674	(253,760)	459,896
Signage	20,942	–	–	20,942
Motor vehicles	–	67,233	–	67,233
Total	\$ 3,643,189	\$ 493,637	\$ (253,760)	\$ 3,883,066

	Net book value December 31, 2022	Net book value December 31, 2023
Land	\$ 81,814	\$ 81,814
Buildings and site improvements	9,631,388	9,336,307
Leasehold improvements	–	–
Communications systems	–	–
Office equipment	96,734	63,359
Computer equipment	192,252	119,475
Signage	–	–
Motor vehicles	–	605,093
Assets under construction	105,686	–
Total	\$ 10,107,874	\$ 10,206,048

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

15. Financial risks and concentration of credit risk:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Health Unit is exposed to credit risk with respect to accounts receivable on the Statement of Financial Position.

The Health Unit assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Health Unit at December 31, 2023 is the carrying value of these assets. The carrying amount of accounts receivable is valued with consideration for an allowance for doubtful accounts. The amount of any related impairment loss is recognized in the Statement of Operations and Accumulated Surplus. Subsequent recoveries of impairment losses related to accounts receivable are credited to the Statement of Operations and Accumulated Surplus. The balance of the allowance for doubtful accounts at December 31, 2023 is \$Nil (2022 - \$Nil).

There have been no significant changes to the credit risk exposure from 2022.

(b) Liquidity risk:

Liquidity risk is the risk that the Health Unit will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Health Unit manages its liquidity risk by monitoring its operating requirements. The Health Unit prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

Accounts payable and accrued liabilities are generally due within 60 days of receipt of an invoice.

There have been no significant changes to the liquidity risk exposure from 2022.

(c) Market risk:

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates will affect the Health Unit's income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing return on investment.

HASTINGS PRINCE EDWARD PUBLIC HEALTH

Notes to Financial Statements (continued)

Year ended December 31, 2023

15. Financial risks and concentration of credit risk:

(d) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument will fluctuate because of changes in the market interest rates.

Financial assets and financial liabilities with variable interest rates expose the Health Unit to cash flow interest rate risk. The Health Unit is exposed to this risk through its interest bearing mortgage payable and its interest rate swaps.

The Health Unit mitigates interest rate risk on its term loans through derivative financial instruments (interest rate swaps) that exchanges the variable rate inherent in the term loan for a fixed rate (see note 11). Therefore, fluctuations in market interest rates would not impact future cash flows and operations relating to the term debt.

There has been no change to the interest rate risk exposure from 2022.

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HASTINGS PRINCE EDWARD PUBLIC HEALTH

Schedule 1 - Program Operations

Year ended December 31, 2023

	Mandatory	100% MOH	100% ONETIME								MCCSS	Federal	Other		Totals	
	Mandatory	Ontario	COVID-19:	COVID-19:	Ontario	School-	New	ISPA	PH	Ontario	MCCSS	Federal	Operating	Capital	2023	2022
	Core	Seniors	Vaccine	General	Seniors	focused	Purpose-	Pandemic	Practicum	Seniors	Healthy	Childrens	Fund	Reserve		
		Dental	Program	Program	Dental	Nurses	Built	Recovery	Student	Mobile	Babies,	Oral Health				
		Care			Care	Initiative	Vaccine			Capital:	Healthy	Health				
		Program			Program		Refrigerator			Mobile	Children	Initiative				
										Clinic	Children					
REVENUES																
Provincial approved funding MOH	9,366,550	1,275,453	130,000	160,000	133,000	400,000	12,000	25,000	20,000	542,852	-	-	-	-	12,064,855	12,553,165
Provincial approved funding MCCSS	-	-	-	-	-	-	-	-	-	-	1,048,786	-	-	-	1,048,786	1,163,273
Total Approved Provincial Funding	9,366,550	1,275,453	130,000	160,000	133,000	400,000	12,000	25,000	20,000	542,852	1,048,786	-	-	-	13,113,641	13,716,438
Provincial funding MOH Salary	135,500	-	-	-	-	-	-	-	-	-	-	-	-	-	135,500	133,789
Provincial funding Mitigation	1,120,000	-	-	-	-	-	-	-	-	-	-	-	-	-	1,120,000	1,120,000
Settlement adjustments	(70,098)	(3)	-	-	-	-	(726)	-	-	-	-	-	-	-	(70,827)	(654,309)
Provincial funding	10,551,952	1,275,450	130,000	160,000	133,000	400,000	11,274	25,000	20,000	542,852	1,048,786	-	-	-	14,298,314	14,315,918
Municipal levies	3,249,300	-	-	-	-	-	-	-	-	-	-	-	120,808	260,000	3,630,108	3,491,385
Federal funding	-	-	-	-	-	-	-	-	-	-	-	40,550	-	-	40,550	174,161
Other revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest income	89,839	-	-	-	-	-	-	-	-	-	-	-	122,296	134,470	346,605	152,357
Rental income	24,068	-	-	-	-	-	-	-	-	-	-	-	-	-	24,068	24,335
Expenditure Recoveries	66,314	10,100	-	-	-	-	-	-	-	-	-	-	-	-	76,414	81,581
Total Revenues	13,981,473	1,285,550	130,000	160,000	133,000	400,000	11,274	25,000	20,000	542,852	1,048,786	40,550	243,104	394,470	18,416,059	18,239,737
EXPENDITURES																
Salaries	8,693,343	288,812	130,000	160,000	-	328,286	-	14,898	17,199	-	755,158	30,606	-	-	10,418,302	11,051,849
Benefits	2,587,706	83,754	-	-	-	71,714	-	10,102	2,801	-	205,505	9,049	-	-	2,970,631	2,895,111
Staff training	116,784	1,219	-	-	-	-	-	-	-	-	1,262	-	-	-	119,265	155,248
Travel	108,258	23,892	-	-	-	-	-	-	-	-	26,315	-	-	-	158,465	115,481
Building occupancy	773,892	35,800	-	-	-	-	-	-	-	-	11,250	-	-	-	820,942	799,687
Office expenses and administration	766,741	57,252	-	-	-	-	-	-	-	-	11,861	-	-	-	835,854	555,250
Program supplies	290,421	144,081	-	-	-	-	-	-	-	-	8,263	894	-	-	443,659	436,022
Professional and purchased services	338,527	650,740	-	-	133,000	-	-	-	-	-	2,035	-	-	-	1,124,302	922,990
Amortization	493,637	-	-	-	-	-	-	-	-	-	-	-	-	-	493,637	411,992
Total Expenditures	14,169,309	1,285,550	130,000	160,000	133,000	400,000	-	25,000	20,000	-	1,021,649	40,549	-	-	17,385,057	17,343,630
Annual surplus (deficit) before other items	(187,836)	-	-	-	-	-	11,274	-	-	542,852	27,138	-	243,104	394,470	1,031,002	896,106
Loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual surplus (deficit)	(187,836)	-	-	-	-	-	11,274	-	-	542,852	27,138	-	243,104	394,470	1,031,002	896,106
RECONCILIATION TO FUNDING																
Annual surplus (deficit) above	(187,836)	-	-	-	-	-	11,274	-	-	542,852	27,138	-	243,104	394,470	1,031,002	896,106
Add back amortization	493,637	-	-	-	-	-	-	-	-	-	-	-	-	-	493,637	411,992
Add transfers from reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Add loss on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Add tangible capital asset adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less tangible capital asset acquisitions	(13,897)	-	-	-	-	-	(11,274)	-	-	(542,852)	-	-	-	-	(568,023)	(248,109)
Less principal repayments on mortgage	(268,864)	-	-	-	-	-	-	-	-	-	-	-	-	-	(268,864)	(258,055)
Less vacation/frozen sick leave	(23,040)	-	-	-	-	-	-	-	-	-	-	-	-	-	(23,040)	(53,725)
Funding Surplus	-	-	-	-	-	-	-	-	-	-	27,138	-	243,104	394,470	664,712	748,209

Board of Health Briefing Note

To:	Hastings Prince Edward Board of Health
Prepared by:	Dr. Ethan Toumishey, Medical Officer of Health and CEO
Date:	Wednesday, May 1, 2024
Subject:	Report of the Medical Officer of Health
Nature of Board Engagement	<input checked="" type="checkbox"/> For Information <input type="checkbox"/> Strategic Discussion <input type="checkbox"/> Board approval and motion required <input type="checkbox"/> Compliance with Accountability Framework <input type="checkbox"/> Compliance with Program Standards
Action Required:	No action required.
School Immunizations	<ul style="list-style-type: none"> • Since January, the Immunization Team has been working tirelessly on the Immunization of School Pupils (ISPA) process to ensure our student population is up to date with their immunizations. • The <u>Immunization of School Pupils Act</u> (ISPA) requires students to provide proof of immunization, or a valid exemption, to public health. • Vaccines prevent diseases, save lives and reduce health care costs. • After reviewing the immunization records for local schools, HPEPH sent <i>Proof of Immunization Required</i> letters to 4,900 students with incomplete records. • In February and March, 60 immunization clinics were held across the region, multiple phone calls, texts and emails were sent out to parents as reminders, and hundreds of updates were entered into Panorama. • In early March, 3,004 Orders of Suspension were sent out, to take effect April 9, 2024. It was the highest number of Orders of Suspension HPEPH has ever had. • On April 9 (Suspension Day) we had 828 student facing suspensions. Again, the largest number of suspensions we have ever had, but determined to reduce that number, the Immunization Team gave 341 immunizations and updated more than 100 records and continued to push throughout the week to reduce the number of actual suspensions to just 221 as of Friday, April 12! • As of April 17, just 131 students are not up to date with their immunizations. • I want to congratulate our amazing Immunization Team, and the staff from other programs who supported them, for their phenomenal work. • Information on how to book an immunization appointment with Public Health is available on the website at hpePublicHealth.ca/clinic/immunization-clinic/ or by calling 613-966-5500, ext. 221. • Additional information about maintenance and review of student records under ISPA is available at hpePublicHealth.ca/immunizations-in-schools/.
Oral Cancer Prevention	<ul style="list-style-type: none"> • April was Oral Health month, and public health highlighted the importance of young people, male and female, receiving the Human papillomavirus (HPV) vaccine to help prevent HPV-related oral cancers. • Most young people are offered the HPV vaccine through school-based vaccines in Grade 7, and the vaccines are publicly funded for all students until

	<p>the end of Grade 12, so it is highly recommended that all young people get fully vaccinated before they finish high school. This provides the best possible protection as they enter adulthood.</p> <ul style="list-style-type: none"> To find out more about the HPV vaccine or to book your child in for an HPV vaccine, please visit hpePublicHealth.ca/clinic/immunization-clinic.
Emergency Preparedness Week	<ul style="list-style-type: none"> Emergency Preparedness Week, May 5 to 11, encourages Canadians to take concrete actions to be better prepared to protect themselves and their families during emergencies. Natural disasters, like wildfires and weather events may be beyond our control, but there are ways to reduce the risk and the impact of whatever emergency we might face. I encourage residents to: <ul style="list-style-type: none"> Know the risks – Although the consequences of disasters can be similar, knowing the risks specific to our community and our region can help you better prepare. Make a plan – It will help you and your family know what to do. Get an emergency kit – During an emergency, we will all need some basic supplies. We may need to get by without power or tap water. Be prepared to be self-sufficient for at least 72 hours in an emergency. Visit www.getprepared.ca for more resources to help you and your family prepare for all types of emergencies.
Seasonal Reminders	
Air Quality	<ul style="list-style-type: none"> With the potential for poor air quality as we head into the warmer months, I want to remind residents of what they can do to protect themselves when the air pollution level is high. Monitor the local Air Quality Health Index value and relevant local weather forecasts and adjust your activities accordingly. Limit your exposure by staying indoors as much as possible during periods of high risk, and reducing or rescheduling strenuous activities outdoors, especially if symptoms such as coughing and throat irritation occur. <ul style="list-style-type: none"> This is particularly important for those at risk, such as those with heart or breathing problems, young children and the elderly Keep doors and windows closed as much as possible to maintain better air quality in your homes
West Nile Virus	<ul style="list-style-type: none"> As the weather warms up, it is time to remember to take precautions to protect yourself from vector-borne diseases. Vector-borne and zoonotic diseases are caused by viruses, bacteria or parasites that are transmitted to humans from animals or insects. West Nile virus (WNV) is a disease that is transmitted to people by infected mosquitoes. While the majority of infected individuals have mild or no symptoms, the elderly and those with certain chronic medical problems, including problems with their immune systems, can become ill. Early symptoms of WNV can include fever, muscle weakness, stiff neck, confusion, severe headache, sudden sensitivity to light, tremors, numbness, or vision loss.


	<ul style="list-style-type: none"> • In severe cases, WNV can cause inflammation of the brain known as encephalitis • If individuals believe they are experiencing early symptoms of WNV, they are encouraged to contact their primary health care provider. • Mosquitoes acquire the West Nile virus by feeding on infected birds <ul style="list-style-type: none"> ○ you cannot get the disease from person-to-person contact. • No specific treatment or vaccination is available for West Nile virus <ul style="list-style-type: none"> ○ for severe illness, supportive therapy is provided. • Protect yourself from West Nile virus by: <ul style="list-style-type: none"> ○ Wearing light coloured clothing and minimizing exposed skin if out at dawn and dusk ○ Use an insect repellent containing DEET or Icaridin ○ Consider wearing <u>permethrin-treated clothing</u> ○ Remove any sources of standing water, since mosquitoes lay their eggs there ○ If you encounter a dead bird don't handle it with bare hands
<p>Ticks</p>	<ul style="list-style-type: none"> • During the summer months the risk of encountering a tick is at its highest – although ticks can be found any time of year when the temperature is above freezing. • Blacklegged ticks can be found almost anywhere outdoors, but are most often found in habitats that maintain ground-level moisture and humidity such as in tall grasses, bushy, wooded and forested areas. • Preventing tick bites is the key to preventing Lyme and other tick-borne diseases. • Take the following precautions when spending time outdoors: <ul style="list-style-type: none"> ○ Apply a Health Canada approved insect repellent containing DEET or Icaridin to exposed skin and clothing and consider wearing permethrin-treated clothing ○ Wear light-coloured clothing to spot ticks more easily ○ Wear long-sleeved shirts, pants, socks and closed footwear (Tuck pants into socks) ○ Walk on cleared paths or trails and keep children and pets from wandering off the path ○ Check yourself, children, pets, clothing, and anything else you are bringing in with you for ticks when coming indoors ○ After outdoor activity put clothes in a dryer on high heat for at least 10 minutes to kill any ticks ○ Shower or bathe after coming inside to wash away loose ticks ○ Perform a daily tick check and pay special attention to your scalp, ankles, armpits, groin, navel and behind ears and knees. Do the same for others in your care and pets. ○ Talk to your vet about protecting your pets. ○ Create a tick free zone around your house by keeping grass mowed short; trimming bushes and tree branches to let in sunlight (ticks avoid hot, dry locations); creating a border of gravel or woodchips one metre or wider around your yard if you're next to a wooded area, or an area with tall grasses; removing leaf litter, brush and weeds at the edge of the lawn and from stone walls and wood piles; moving children's swing sets, playground equipment and sandboxes away from wooded areas (consider placing equipment on a woodchip or mulch foundation) • See the HPEPH <u>Bitten by a Tick?</u> fact sheet for more information

	<ul style="list-style-type: none"> ○ Pharmacists can now prescribe a preventive treatment against Lyme disease in Ontario
Provincial Updates	<ul style="list-style-type: none"> ● On March 28, 2024, Ontario's Chief Medical Officer of Health Dr. Kieran Moore submitted his 2023 Annual Report, <u><i>Balancing Act: An All-of-Society Approach to Addressing Substance Use and Harms</i></u> to the Legislative Assembly of Ontario. ● The report is a call for an all-of-society approach to reduce substance use harms. An approach that recognizes the complexity of human experience with substances, the factors that drive substance use, and how public health policies may conflict with economic policies, and with public attitudes and perspectives. ● Mood altering substances like cannabis, alcohol, opioids, and tobacco and vaping products that contain nicotine are widely used in Ontario. During the COVID-19 pandemic, Ontario saw disturbing trends, including: <ul style="list-style-type: none"> ○ more people who had not previously smoked tobacco started using vaping products that contain nicotine ○ more adults using cannabis and subsequently more cannabis-related emergency department visits ○ a significant increase in alcohol sales and alcohol toxicity deaths ○ a growing number of youths in grades 7 to 12 who reported using alcohol, cannabis, and vaping products more frequently ● The recommendations in the report reflect the best available evidence on interventions that can help to reduce substance use harms. <ul style="list-style-type: none"> ○ They aim to build healthier families and communities and ensure people in Ontario have the knowledge, skills and supports to live healthy lives and avoid substance use harms. ● By working together as a unified society, to advocate for health, social, and economic policies at all levels, Ontario can build stronger communities so that people can enjoy longer and healthier lives.

Board of Health Briefing Note

To:	Hastings Prince Edward Board of Health
Prepared by:	Victoria Law, Social Determinants of Health Public Health Nurse
Approved by:	Veronica Montgomery, Manager of Foundational Standards, Communications and Healthy Communities
Date:	Wednesday, May 1, 2024
Subject:	Community Drug Strategy: Status Update
Nature of Board Engagement	<input checked="" type="checkbox"/> For Information <input type="checkbox"/> Strategic Discussion <input type="checkbox"/> Board approval and motion required <input type="checkbox"/> Compliance with Accountability Framework <input type="checkbox"/> Compliance with Program Standards
Action Required:	No action required.
Background:	<p>Hastings Prince Edward Public Health (HPEPH) has been working to facilitate a Community Drug Strategy (CDS) since the fall of 2023. The CDS is situated in the context of an evolving drug poisoning crisis in Hastings and Prince Edward (HPE) Counties and across the country. An Opioid Action Planning Day was held in December 2019 which identified priority areas for action in the community at that time. Plans to implement these action items were stalled due to the COVID-19 pandemic response. In 2024, resources at HPEPH permitted support in resuming the development of a CDS. A review of the literature was completed and a consultant, Erik Lockhart, was hired to support the development of the strategy. The revised 2023 edition of the Canada Drug and Substance Strategy (CDSS) has served as a framework for the HPE CDS.</p> <p>On January 30, HPEPH hosted an Action Planning Day 2.0 for leaders of organizations in the community across HPE. This included representatives from the school boards, police, hospital, community health, addictions and mental health among others. During this event, the group identified high level objectives for the community under each of the four foundational elements of the CDSS. These foundational elements are Prevention and Education, Substance Use Services and Supports, Evidence, and Substance Controls.</p> <p>Just a week after the community planning day, on February 6, a series of 14 overdoses occurred over just 2 hours. On February 8, the City of Belleville declared a state of emergency. This triggered national political and media attention on the crisis in the community. In the weeks that followed, Health Commons Solutions Lab (HCSL) was brought on to support HPE under the Canadian Mental Health Association HPE, and United Way HPE to identify needs in the community, and provide a case to the province for necessary funding.</p> <p>With the support of HCSL, HPEPH proceeded with the preplanned community engagement sessions for March 1 and March 5. The sessions included additional representatives with a greater local focus in Belleville, Prince Edward County and Quinte West, North and Centre Hastings, as well as an Indigenous focused session on Tyendinaga Mohawk Territory. These sessions gave participants the opportunity to comment on actions and ideas to support previously identified objectives. Engagement sessions were planned for people with lived experience,</p>

	<p>however those plans are currently on hold due to engagement fatigue with this audience. Recent engagement fatigue is likely due to the frequent requests for comment in the wake of the Belleville state of emergency, the associated trauma with sharing their stories, and historic absence of follow through on their recommendations. There are plans to re-engage this group in late 2024 once the outcome of HCSL funding requests is better known.</p> <p>As of spring 2024, the plan for the CDS is to focus on the Prevention and Education foundational element of the CDSS. Substance use services and supports were largely addressed by HCSL. HPEPH still plans to address all four elements in a final strategy to be developed later this year.</p> <p>While HPEPH is facilitating the development of the CDS, this is a community led strategy governed by a steering committee. The steering committee anticipates monthly meetings to maintain momentum for the strategy and will oversee working groups for each of the four foundational elements. Next steps include finalizing the findings from the community consultation sessions, collating the results, and prioritizing objectives and related action items in the changing community context. The strategy implementation will be facilitated by HPEPH, but community driven, and will span over five years with short- and long-term objectives.</p>
Reviewed By:	Dr. Ethan Toumishey, Medical Officer of Health and CEO



HPE Community Drug Strategy


Status Update

Board of Health
Wednesday, May 1, 2024

Victoria Law, SDOH PHN

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Community Drug Strategy


- Collaborative inter-agency strategy to address the regional drug related concerns across Hastings and Prince Edward Counties
- Informed by the **Canada Drug and Substances Strategy** and the four foundational elements

Prevention and education	Substance use services and supports
Evidence	Substance controls

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Baseline Assumptions


- Initial focus on **unregulated substances**
- **Five-year strategy:** 2024-2029
- **Humanistic approach:** People who use drugs should be met with supportive practices
- Guided by **cultural safety** and **trauma and violence informed**



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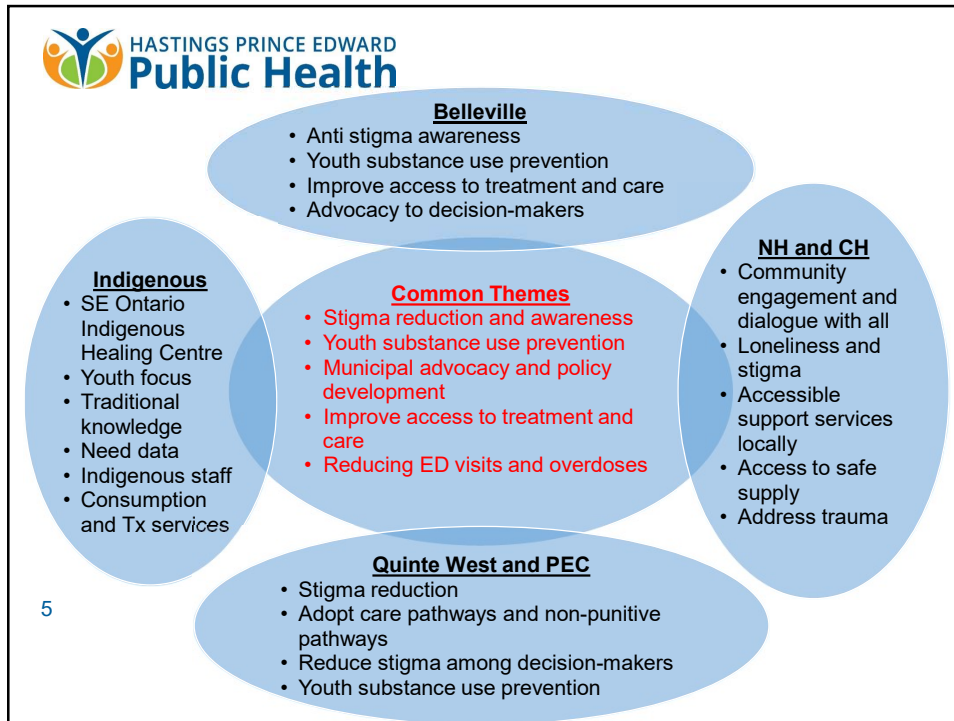


Engagement Plans

- Action Planning Day 2.0
- Community Engagement Sessions
 - Belleville
 - Quinte West and Prince Edward County
 - North and Centre Hastings
 - Indigenous focused (on Tyendinaga Mohawk Territory)
- Plans for people with lived experience*

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HASTINGS PRINCE EDWARD Public Health

Local Status Update

- February 2024 had the highest on record ED visits at **71**
- The last highest was November 2023 with **63** ED visits
- 50** suspected drug related deaths in 2023 (preliminary)
- February 6 saw **14** overdoses over 2 hours
- In 2024, increased number of suspected drug related deaths

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Next Steps

- Regroup with steering committee
- Clarify priority areas for action
- Focus on **prevention and education** for the time being
- Wait for outcome from **Health Commons Solutions Lab** proposal to address next elements

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Listing of Information Items Board of Health Meeting – May 1, 2024

1. Middlesex-London Health Unit – Letter to Mark Holland re Recommendation for provincial and federal restrictions on nicotine pouches dated March 22, 2024
2. Sudbury & Districts Public Health – Letter to Doug Ford re Recommendations for government regulation of nicotine pouches dated April 22, 2024
3. Sudbury6 & Districts Public Health – Letter to Mark Holland re Recommendations for government regulation of nicotine pouches dated April 22, 2024
4. alPHa Association of Local Public Health Agencies – Letter to Sylvia Jones re 2023 Chief Medical Officer of Health (CMOH) Annual Report: an all-of-society approach to substance use and harms dated April 5, 2024
5. Haliburton, Kawartha, Pine Ridge District Health Unit – Letter to Philip Lawrence, MP and Jamie Schmale, MP re Private member's Bill C-322 – national framework for a school food program act dated March 21, 2024
6. Timiskaming Health Unit – Letter to Doug Ford re Endorsement of Public Health Sudbury & Districts letter on gender-based and intimate partner violence (IPV) dated April 12, 2024
7. Peterborough Public Health – Letter to Dr. Kieran Moore and Sylvia Jones re 2023 Chief Medical Officer of Health (CMOH) Annual Report: an all-of-society approach to substance use and harms dated April 23, 2024
8. Chief Medical Officer of Health 2023 Annual Report – Balancing Act: An All-of-Society Approach to Addressing Substance Use and Harms – Focus on Tobacco/Vaping Products, Cannabis, Alcohol, and Opioids slide deck dated March 2024

The above information items can be found on the Hastings Prince Edward Public Health's website through the link in the Agenda Package or by going to our website at hpePublicHealth.ca.