



Committee Report

To:	Chair and Members of the Committee of Management
Committee Date:	June 29, 2021
Subject / Report No:	LTCR-CM-15-21
Title:	2022-2031 Long Term Care Ten Year Capital Forecast
Prepared by:	Shannon Cox, Executive Director Grey Gables Stacey Goldie, Executive Director Lee Manor Karen Kraus, Executive Director Rockwood Terrace
Reviewed by:	Joanna Alpajaro, Deputy Treasurer Jennifer Cornell, Director of Long Term Care
Lower Tier(s) Affected:	All Grey County
Status:	Adopted as presented by Long-Term Care Committee of Management through Resolution CM23-21; Endorsed by County Council CC55-21

Recommendation

1. That Report LTCR-CM-15-21 regarding the Long Term Care 2022-2031 Draft Ten Year Capital Forecast be received; and
2. That it be forwarded for inclusion in the Corporate Ten Year Capital Forecast 2022-2031 for consideration by County Council; and
3. That the projects proposed in the First Year of the 2022- 2031 Ten Year Capital be used for planning purposes for the 2022 Budget.

Executive Summary

This report provides anticipated capital expenditures for County of Grey long-term care homes over a ten-year planning horizon, from 2022 to 2031. The capital forecast submissions set out proposed plans and rationale for future capital spending.

The 2017 Building Condition Assessment and Reserve Fund (BCAs) was used in the development of the capital forecast. While the 2021 Building Condition Assessments were not all available at the time of the preparation of the ten year capital, staff worked with the consultant to review any potential changes from the BCAs prepared in 2017 and these changes are reflected in the ten year capital plan. Costing for proposed projects has been adjusted to reflect the current and anticipated market value for the projects.

Long Term Care capital funding needs for 2022 total \$2,200,500, an increase of \$16,500 or 0.75% from the 2021 approved capital budget.

Background and Discussion

There are several items common to the three homes including: High-Low Beds, Resident Lifts and Information Technology. The beds and lifts are on a replacement cycle and support resident and staff safety. Computers are used by every department and follow a replacement schedule as recommended by the Information Technology department.

Annual reserve contributions are in place as recommended in the 2017 BCA to ensure adequate funds are available for the replacement of building and equipment components in the future. An analysis of each of the homes' capital reserves has been completed and a detailed project sheet is included in the packages that outlines a plan for future transfers to reserves to address future funding requirements. With the preparation of the 2022-2031 ten-year capital forecast, staff have reviewed projects recommended in the BCA report and have made revisions/deletions and additions to the 10-year capital forecast. These changes are outlined below with particular attention paid to 2022-2024.

Safety, legislation and normal life cycle replacement have all been considered in the development of the proposed capital forecast.

Grey Gables

The changes that impact 2022-2024 are outlined in the following table.

Project	Cost	Year Scheduled
Doors (entrance, interiors, systems) <ul style="list-style-type: none"> Entire project will be carried forward due to challenges in completing work during COVID-19 restrictions Moved to 2022 and project cost increased by \$20,000 	\$50,000	2022
Retaining Wall <ul style="list-style-type: none"> Entire project will be carried forward due to challenges in completing work during COVID-19 restrictions Moved to 2022 and project cost increased by \$20,000 	\$40,000	2022
Heating and/or Cooling Systems <ul style="list-style-type: none"> Was originally booked in 2022 for \$47,300 	\$39,200 in both 2023 and 2024	2023 & 2024

Project	Cost	Year Scheduled
<ul style="list-style-type: none"> Moved to 2023 and 2024 and increased project cost by a total of \$31,100 		
Dry Sprinkler System (above Maple) <ul style="list-style-type: none"> End of life replacement New project identified in 2021 BCA 	\$71,400	2022
Fencing – Memorial Garden <ul style="list-style-type: none"> Replacement required due to Security and Safety for the Residents This is a new project 	\$165,000	2022
Voice Communication System (Paging) <ul style="list-style-type: none"> Moved project forward from 2024 as paging system is at end of life 	\$10,000	2022
Parking Lot, Curbs and Guards <ul style="list-style-type: none"> Originally booked for 2024 for \$481,300 Moved to 2025 to coincide with redevelopment and hospital build Amount of project increased by \$9,600 	\$490,900	2025
Nurse Call System Replacement <ul style="list-style-type: none"> End of life replacement. Moved project from 2023 to 2025 Project cost increased by \$4,900 	\$125,500	2025

Lee Manor

The changes that impact 2022-2024 are outlined in the following table.

Project	Cost	Year Scheduled
<p>Floor Replacement</p> <ul style="list-style-type: none"> Entire project will be carried forward due to challenges in completing work during COVID restrictions \$30,300 carried forward from 2021 	\$45,900	2022
<p>Whirlpool Tubs</p> <ul style="list-style-type: none"> Entire project will be carried forward due to challenges in completing work during COVID-19 restrictions \$45,000 carried forward from 2021 	\$90,000	2022
<p>Driveway and Sidewalk Repair/Additions</p> <ul style="list-style-type: none"> Entire project will be carried forward due to challenges in completing work during COVID restrictions \$10,000 carried forward from 2021 	\$10,000	2022
<p>Redevelopment of Resident Common Area and Staff Area on Main Floor</p> <ul style="list-style-type: none"> Entire project has been postponed indefinitely A consultant will be secured to re-evaluate the initial design and determine priorities of the space following the implications of COVID Cost reduced from \$102,000 in 2021 to \$25,000 in 2023 	\$25,000	2023
<p>Resident Bathroom Fixture and Vanity Replacement</p> <ul style="list-style-type: none"> End of life replacement, fixtures and vanities are showing signs of age This is a new project 	\$250,000	2023 to 2025

Project	Cost	Year Scheduled
Air Conditioning in Lee Manor Network Closets <ul style="list-style-type: none"> • High temperature and humidity can increase risk of failure of IT equipment, end of life replacement • This is a new project 	\$5,000	2022
Doors (Entrance, Interior, Systems) <ul style="list-style-type: none"> • Replacement required due to functionality and safety issues • This is a new project 	\$50,000	2022
Draperies / Blinds <ul style="list-style-type: none"> • Increase of \$5,000 to project to reflect rising costs 	\$30,000	2022
Paging System <ul style="list-style-type: none"> • End of life replacement • This is a new project 	\$25,000	2022
Tractor Replacement <ul style="list-style-type: none"> • End of life replacement • Needed for snow clearing, grass cutting • This is a new project 	\$50,000	2022
Wander Guard Replacement <ul style="list-style-type: none"> • End of life replacement • This is a new project 	\$35,000	2022
Resident Home Area Furniture <ul style="list-style-type: none"> • End of life replacement, furniture is showing signs of age • This is a new project 	\$153,000	2024 to 2026

Project	Cost	Year Scheduled

Rockwood Terrace

Staff work diligently to review and schedule capital projects. There is a need to provide a safe, comfortable environment while balancing the need to redevelop. Projects for window and flooring are budgeted at \$20,000 and \$50,000 per year respectively and \$10,000 is budgeted for plumbing fixtures which allows for the most imminent needs to be met.

Depending on risk and construction delays the projects may be realigned in future years. The 2022-2024 changes are reflected in the following table.

Project	Cost	Year Scheduled
Tractor/Snowblower <ul style="list-style-type: none"> • Needed for snow removal, grass cutting • This is a new project. 	\$34,000	2022

Redevelopment

The proposed capital forecast includes a \$1,361,000 transfer to reserves for the future redevelopment of Rockwood Terrace. This annual transfer was initiated in 2016 as the debentures for the renovations at Lee Manor were paid off and are available to offset the cost of construction. This transfer to reserve has been extended into 2031 to reflect a levy requirement for the debenture payment of the new Rockwood Terrace and Grey Gables build.

Grey County has initiated the planning phase for the redevelopment of Rockwood Terrace and Grey Gables long term care homes. The projects will be carried out under terms of redevelopment agreements with the Province of Ontario. Full-service project management resources have been secured to assist Grey County to keep these projects on time, on budget and in compliance with provincial requirements. Project costs will be included in the ten year forecast when this information becomes available.

Financial and Resource Implications

The capital reserves for the long-term care homes are maintained as individual entities however staff considers the three long term care homes as a portfolio.

Rockwood Terrace has sufficient reserve funds which will be beneficial to offset the cost of unbudgeted capital expenditures in future years if required. Lee Manor and Grey Gables have some larger projects anticipated in the upcoming years (i.e. replacement of air make up and

boiler system in 2030 at Lee Manor) which impact the individual home reserves, however reserves will be redistributed as required across the three homes. In addition, the balance in the Administration Pay Equity reserve totaling \$954,500, transferred to Lee Manor's General Capital (BCA) Reserve in 2021, will assist with the cost of these larger projects in upcoming years.

The Building Condition Assessment and Reserve Fund Study was used to identify priorities. Excluding the amount set aside for debenture payments, the 2022 forecast utilizes existing capital reserves to complete the recommended projects while holding to a 2% increase over 2021. The total net levy for 2022, including the transfer to reserve for redevelopment, is \$2,200,500 which requires a net levy increase of \$16,500 or a 0.75% increase from the 2021 approved capital budget.

Relevant Consultation

- Kim Wingrove- CAO, Mary Lou Spicer – Director of Finance
- External Building Condition Assessment

Appendices and Attachments

[Attachment to LTCR-CM-15-21 Long Term Care Summary 2022-2031 Ten Year Capital Forecast](#)

[Attachment to LTCR-CM-15-21 LTC Redevelopment 2022-2031 Ten Year Capital Forecast](#)

[Attachment to LTCR-CM-15-21 Grey Gables 2022-2031 Ten Year Capital Forecast](#)

[Attachment to LTCR-CM-15-21 Lee Manor 2022-2031 Ten Year Capital Forecast](#)

[Attachment to LTCR-CM-15-21 Rockwood Terrace 2022-2031 Ten Year Capital Forecast](#)

[Attachment to LTCR-CM-15-21 LTC Redevelopment 2022-2031 Project Sheets](#)

[Attachment to LTCR-CM-15-21 Grey Gables 2022-2031 Project Sheets](#)

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