

To:	Chair Burley and Members of the Committee of Management
Committee Date:	June 11, 2019
Subject / Report No:	LTCR-CM-31-19
Title:	2020-2029 Ten Year Capital Forecast
Prepared by:	Jennifer Cornell, Executive Director Grey Gables Renate Cowan, Executive Director Lee Manor Karen Kraus, Executive Director Rockwood Terrace
Reviewed by:	Lynne Johnson, Director of Long Term Care Joanna Alpajaro, Deputy Treasurer
Lower Tier(s) Affected:	All Grey County
Status:	

Recommendation

1. That Report LTCR-CM-31-19 regarding the Long Term Care 2020-2029 Draft Ten Year Capital Forecast be received; and
2. That it be forwarded for inclusion in the Corporate Ten Year Capital Forecast 2020-2029 for consideration by County Council; and
3. That the First Year of the 2020- 2029 Ten Year Capital be used for planning purposes for the 2020 Budget.

Executive Summary

The proposed capital budget submissions set out proposed plans for future capital spending and attempt to provide sufficient information for Councilors to make informed decisions. The 2017 Building Condition Assessment and Reserve Fund (BCA) were used in the development of the capital forecast. Costing for proposed projects has been adjusted to reflect the current and anticipated market value for the products.

Background and Discussion

There are several items common to the three homes including: High-Low Beds, Resident Lifts and Computers. 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 outline a plan for future transfers to reserves to address future funding requirements. With the completion of the most recent BCA report and review by staff, several new items have been identified for future capital. They are outlined below with particular attention paid to 2020-2022.

Grey Gables

The changes in the proposed 2019 capital budget that impact 2020-2021 are outlined in the following table.

Project	Cost	Year Scheduled
Laundry Equipment <ul style="list-style-type: none"> Project updated to reflect an additional \$15,00 Required to meet TSSA Gas Code changes and structural changes. 	\$35,000	2020
Back Flow Water Protection <ul style="list-style-type: none"> This is a new project. 	\$25,000	2021

Lee Manor

The previously identified projects for 2020 have been reviewed. The 2020-2022 changes from the 2019 capital project planning document are reflected in the following table.

Project	Cost	Year Scheduled
Floor Replacement <ul style="list-style-type: none"> Decrease of \$75,000 Alternative floor protection has been researched and will be utilized. 	\$15,000	2020
Caulking/Sealant <ul style="list-style-type: none"> The 2019 project has been deferred and will be included with the 2021 project. 	\$55,000	2021
Redevelopment of Resident Common Area and Staff Area on Main Floor	\$100,000	2020

Project	Cost	Year Scheduled
<ul style="list-style-type: none"> Including renovations resident social area to improve accessibility Addition of a staff locker room in staff area on the main floor 		
Sanitary Waste Removal <ul style="list-style-type: none"> Replacement of sanitary waste removal pumps based on end of life 	\$15,000-\$15,600 annual	2020-2022

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.

The previously identified projects for 2020 have been reviewed and one new project identified. Depending on risk and construction delays the projects may be realigned in future years. Redevelopment must be completed within 5 ½ years therefore capital needs for Rockwood Terrace have not been addressed past 2025. The changes for 2020-2022 from the 2019 capital project planning document are outlined in the following table.

Project	Cost	Year Scheduled
Kitchen Equipment <ul style="list-style-type: none"> Replacement of a steamtable and reach in fridge 	\$7,500	2020

Legal and Legislated Requirements

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

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 a healthy reserve fund 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 fire alarm system) which impact the individual home reserves however reserves will be redistributed as required across the three homes.

The proposed capital budget also includes a \$1,361,010 transfer to reserves for the future redevelopment of Rockwood Terrace. This annual transfer was initiated a few years ago as the debentures for the renovations at Lee Manor were paid off and will be available to offset the cost of construction.

The Building Condition Assessment and Reserve Fund Study was used to identify priorities. Excluding the amount set aside for debenture payments, the 2020 budget utilizes existing capital reserves to complete the recommended projects while holding to a 2% increase over 2019. The total net levy for 2020 is \$2,167,810 which requires a net levy increase of \$15,790 or a 0.73% increase from the 2019 approved capital budget.

Relevant Consultation

- Kim Wingrove- CAO, Kevin Weppler- Director of Corporate Services.
- External Building Condition Assessment

Appendices and Attachments

[Attachment to LTCR-CM-31-19 Long Term Care Portfolio 2020-2029 Proposed Ten Year Capital Summary](#)

[Attachment to LTC-CM-31-19 LTC Redevelopment 2020-2029 Proposed Ten Year Capital Forecast](#)

[Attachment to LTCR-CM-31-19 Grey Gables 2020-2029 Proposed Ten Year Capital Forecast](#)

[Attachment to LTCR-CM-31-19 Lee Manor 2020-2029 Proposed Ten Year Capital Forecast](#)

[Attachment to LTCR-CM-31-19 Rockwood Terrace 2020-2029 Proposed Ten Year Capital Forecast](#)